STATE OF NORTH CAROLINA
COUNTY OF TRANSYLVANIA

AMENDED AND RESTATED BYLAWS OF THE RESERVE PROPERTY OWNERS ASSOCIATION, INC.

THESE AMENDED AND RESTATED BYLAWS OF THE RESERVE PROPERTY OWNERS ASSOCIATION, INC. are made this 10 day of February 2020 by The Reserve Property Owners Association, Inc., a North Carolina non-profit corporation.

WHEREAS, The Reserve Property Owners Association, Inc. is the association of Lot Owners at The Reserve, a planned community located in Transylvania County, North Carolina; and

WHEREAS, the Bylaws of the Association were recorded as "Exhibit B" to the Declaration of Terms, Conditions, Restrictions and Protective Covenants of Planned Community for the Reserve Development, recorded in the Transylvania County Registry of Deeds in Deed Book 59, Page 240; and

WHEREAS, the Bylaws may be amended in accordance with Article XI at a regular meeting of the members and shall require an affirmative vote of sixty-seven percent (67%) of the members to such changes; and

WHEREAS, at least sixty-seven percent (67%) of the votes of the members were cast affirmatively to amend the Bylaws, as hereinafter set forth.

NOW THEREFORE, the Bylaws are Amended and Restated as follows:

By deleting the original Bylaws in their entirety and replacing them with the following AMENDED AND RESTATED BYLAWS OF THE RESERVE PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I
Identify

These are the Bylaws of the Reserves Property Owners Association, Inc., a North Carolina non-profit corporation (the "Association").

For purposes of these Bylaws, terms specifically defined either in the Amended and Restated Declaration of Terms, Restrictions and Protective Covenants of Planned Community for the Reserve Development ("Amended and Restated Declaration") located in Transylvania County or the North Carolina Nonprofit Corporation Act, Chapter 55A, North Carolina General Statutes (the "Act" or the "non-Profit Act"), shall have the same meaning herein. Unless the Amended and Restated Declaration or these Bylaws expressly provide otherwise, the procedures and substantive matters governing the Association can be determined by reference to the Act.

ARTICLE II
Definitions

2.1. "The Reserve Development" shall mean that real estate located in the Development as set forth in the Amended and Restated Declaration.

2.2. "Common Element" and/or "Common Community Areas" shall mean and refer to i) private roads serving the Development or any property adjoining the Development; 2) the entrance areas as they presently exists and as shown on a plat recorded in Transylvania County Public Registry; iii) those hiking and bicycling trails in existence or to be constructed within the Development and to which the Association has been granted a license; and iv) any real estate owned by the Association other than a lot.
.2.3. "Declarant" and/or "Developer" shall mean Thomas Mountain, LLC.

2.4. "Lot" shall mean any improved or unimproved parcel of land located within The Reserve Development and intended to be developed now or hereafter as single-family residential dwelling.

2.5. "Owner" or "Lot Owner" shall mean and refer to the owner or owners as shown by the real estate records in the Office of the Register of Deeds of Transylvania County, North Carolina, of fee simple title to any lot situated within the Development. For purposes of voting or representation on any Committees or Boards, the marital spouse of the Owner may be treated as being an "Owner."

ARTICLE III
Qualifications and Responsibilities of Members

3.1. Membership. Every Lot Owner in the Reserve Development shall be a member of the Association and shall remain a member until he or she ceases to be a Lot Owner.

3.2. More than One Owner. When there is more than one owner of a Lot, all such persons shall be members of the Association, but it is understood that each Lot shall be entitled to only one vote on matters coming before the Association (As set forth in Article IV herein).

3.3. Registration. It shall be the duty of each Lot Owner to register his or her name and his or her mailing address with the Secretary of the Association and the Association's Management Company. If a Lot Owner does not so register, the Association shall be under no obligation to recognize his privileges of being a member.

3.4. Prohibition of Assignment. The interest of a member in the Association assets cannot be transferred or encumbered except as an appurtenance to his Lot.

ARTICLE IV
Members' Meetings and Voting

4.1 Place. Meetings of the members shall be held at such place within the Subdivision or within Transylvania County, North Carolina, as may be designated from time to time by the Board of Directors of the Association (the "Board").

4.2. Annual Meeting. The members shall meet at least once each year in September, the day being specified in the notice of such meeting given pursuant to Section 4.4. At each annual meeting, the members may transact any business properly coming before them.

4.3. Special Meetings. Special meetings of the members may be called at any time by the President, by the Board or by written request thereof signed by members of the Association entitled to cast at least ten percent (10%) of the total votes in the Association, with said written request to be delivered to any officer or Director of the Association. A special meeting shall be held not less than ten (10) nor more than sixty (60) days from the date that it is called. No business shall be transacted at a special meeting except that which is stated in the notice thereof.

4.4. Notice. Notice of all meetings of the members, stating the time and place, and accompanied by a complete agenda thereof, shall be given by the President or Secretary to each member. Such notice shall be in writing, and shall be delivered by at least one of the following means: 1) hand delivery; 2) sent by United States mail to the members at the addresses of their respective Lots and to other addresses as any member may have designated to the President or Secretary as it appears on the records of the Association; and 3) by electronic means such as email to an email address provided by any member to the President or Secretary of the Association or as it appears on the records of the Association. Such notice shall be not less than ten (10) nor more than sixty (60) days in advance of any annual or special meeting. Notice shall be deemed delivered when: 1) notice is deposited in the United States mail addressed to the member at his address for the respective Lot and/or as it appears on the records of the Association; or 2) when notice is emailed to a member to the email address provided by the member and/or as it appears on the records of the Association. The Association may vote or transact business on any matter at an annual meeting whether or not specific notice of said item had been given in the notice of the annual meeting. However, for special meetings, only items which were included in the meeting's notice to members can be voted on.

4.5. Quorum; Adjournment if no Quorum. A quorum shall consist of members present in person or by proxy, entitled to cast at least fifty percent (50%) of the total votes in the Association. If a quorum is not present, the meeting shall be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy and until such time until a quorum is present. Pursuant to N.C. Gen. Stat. 47F-3-109(c) the quorum requirement at the next meeting shall be one-half of the quorum requirement applicable to the meeting adjourned.

4.6. Voting. Each Lot Owner is entitled to one (1) vote. When there is more than one owner of a Lot, said Owners shall designate the person authorized to vote for said Lot.

4.7. Manner of Casting Votes. Votes may be cast in person or by proxy. A proxy must be in writing, be signed by all owners of the Lot, the votes of which are subject to the proxy, be given only to another member or to a security holder of that Lot and be filed with the Secretary on or before the meeting.

Pursuant to N.C. Gen. Stat. Sec. 47F-3-110(b) a proxy shall terminate eleven (11) months after its date, unless it specifies a shorter term or until it is revoked in writing by all Lot Owners of such Lot. A proxy should denote the vote desired on a specific issue and/or be a general authorization to the proxy holder to vote according to his or her discretion.

4.8. Required Votes. All questions shall be decided by a majority of the votes cast on the question, unless the provisions of applicable law, the Amended and Restated Declaration or these Bylaws require a greater vote.

4.9. Action by Members Without Meeting. Any action that may be taken at a meeting of the members, may be taken without a meeting if such action is authorized in writing setting forth the action taken and is signed by all members, or if such action is taken in any other manner permitted by law.

4.10. Prohibition of Cumulative Voting. There shall be no cumulative voting.

ARTICLE V
Directors

5.1. Number and Qualifications of Directors. The Board shall consist of a five (5) natural persons, as determined in the sole discretion of a majority of the Lot Owners. A Director must be a Lot Owner in good standing or the individual nominee of a Lot Owner which is other than an individual.

5.2. Election of Directors. Election of Directors by the members shall occur at each annual meeting after the term of any Director has expired. The members shall elect the Directors by a majority of the votes cast in the election. In the event that an insufficient number of Members are willing to have their names placed in nomination to serve on the Board of Directors, the names of each and every member who is not otherwise an officer or director of the Association shall be automatically placed in nomination for the position of director, and a sufficient number of Members' name shall be selected by lot from the total of such names nominated.

5.3. Term. The term of the Directors shall be for two (2) positions rotating at a three (3) year term and three (3) positions rotating at a two (2) year term. Once elected, a Director shall hold office until his or her successor has been duly elected and has qualified. Once the Board of Directors is elected by the members, the Board Members will decide on which Board Member is assigned to hold which office. No Director shall serve more than three (3) consecutive terms.

5.4. Removal. Any Director may be removed, with or without cause, by a vote of the members entitled to cast at least sixty-seven percent (67%) of the total votes in the Association, at a special meeting called for such purpose. The members by a majority vote shall appoint a successor to serve the balance of the removed Director's term.

5.5. Vacancies. Any vacancy in the Board arising by death or resignation of a Director shall be filled by act of the remaining Directors, whether or not constituting a quorum, and a Director so appointed shall serve until the next annual meeting.

5.6. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined by a majority of the Directors, but at least three (3) times a fiscal year (as that term is defined in Sections 5.12(a) and 8.2 below). Notice of regular meetings shall be given to each Director

personally, by mail, email, telephone, facsimile or telegraph not less than five (5) nor more than fourteen (14) days prior to the meeting.

5.7. Special Meetings. Special meetings of the Board may be called by President, by the Secretary or upon written request signed by two (2) Directors and delivered to any other Director or the President or the Secretary. Not less than seventy-two (72) hours' notice of such meeting shall be given personally, by telephone, by mail, by email, by facsimile or by telegraph to each director and the meeting shall be held within ten (10) days. If the President or any Director determines that an emergency exists, a special meeting may be called by giving such notice as is possible under the circumstances. All notices of a special meeting shall state the time, place and purpose thereof. No business shall be transacted at a special meeting except that which is stated in the notice thereof.

5.8. Quorum; Adjournment if No Quorum. Fifty percent (50%) of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is not present, the meeting shall be adjourned from time to time until a quorum is present. The signing by a Director of the minutes of a meeting shall constitute the presence of such Director at that meeting for the purpose of determining a quorum.

5.9. Manner of Acting. Each Director shall be entitled to one (1) vote. The act of a majority of the Directors present at a meeting shall constitute the act of the Board unless the act of a greater number is required by the provisions of applicable law, the Amended and Restated Declaration, or these Bylaws.

5.10. Meeting Forums; Board Action Without Meeting. Although regular or special meetings may occur at such places as specified in the notice, regular or special meetings by means of a telephone conference or similar communication devices are permissible as long as the required notice is given. Any action that may be taken at a meeting of the Board may be taken without a meeting if such action is authorized in writing, setting forth the action taken and signed by all Directors.

5.11. Compensation of Directors Restricted. Directors shall receive no compensation for their services but may be paid for out-of-pocket expenses incurred in the performance of their duties as Directors.

5.12. Powers and Duties of Board. All of the powers and duties of the Association shall be exercised by the Board, including those existing under the common law, applicable statutes, the Act, the Amended and Restated Bylaws, the Articles, and these Bylaws, as any thereof may be from time to time amended. Such powers and duties shall be exercised in accordance with the provisions of applicable law, the Act, the Amended and Restated Declaration, the Articles and these Bylaws, and shall include, but not be limited to the following:

(a) To prepare and provide to members annually by December 15th a budget report for the fiscal year commencing January 1st and ending December 31st of each calendar year (the "Fiscal Year") and said report containing at least the following:

(i) A statement of the status and amount of any reserve or replacement fund and any portion of the fund designated for any specified project by the Board

(ii) A statement of the financial condition of the Association for the last Fiscal year.

(iii) A statement of the status of any pending suits or judgments in which the Association is a party.

(iv) A statement of the insurance coverage provided by the Association.

(v) A statement of any unpaid assessments payable to the Association, identifying the Lot and the amount of the unpaid assessment. **All lot owners do hereby acknowledge that this reporting of unpaid assessments shall not constitute a violation of any federal or state law**.

(b) To adopt and amend budgets and to determine, and collect assessments to pay the Association's common expenses, including operating expenses and Community Property maintenance fees and capital improvement costs. The Board may engage an accountant to do the Association bookkeeping, to file annual returns and to assist in preparing the report described above.

(c) To regulate the use of, and to maintain, repair, replace, modify and improve the Community Property and Common Elements.

(d) To enforce the provisions of the Amended and Restated Declaration, the Articles, these Bylaws, the Act (if and when applicable) and rules and regulations respecting the use of the Community Property and Common Elements by all legal means, including injunction and recovery of monetary penalties.

(e) To hire and terminate agents and independent contractors.

(f) To institute, defend intervene in, or settle any litigation or administrative proceeding in its own name on behalf of itself or two (2) or more Lot Owners on matters affecting the Community Property or Common Elements.

(g) To establish and dissolve and liquidate, from time-to- time, reserve accounts for any purpose.

(h) To borrow money for the maintenance, repair, replacement, modification or improvement of the Community Property and to pledge and pay assessments, and any and all other revenue and income, for such purpose.

(i) To buy Lots in foreclosure of an assessment lien, or at any other time or for any other reason, and to sell, lease, mortgage, and otherwise deal in Lots from time to time owned by the Association.

(j) To impose and receive payments, fees and charges for the use, rental or operation of the Community Property for all purposes permitted a Nonprofit Corporation.

(k) To grant leases, licenses, concessions and easements through and over the Community Property, unless contrary to the Amended and Restated Declaration.

(l) To impose and collect reasonable charges, including reasonable costs and attorney's fees, for the enforcement of any obligation set forth in the Amended and Restated Declaration or these Bylaws.

(m) To provided for the indemnification of the Association's Officers and Directors and maintain Officers and Directors liability insurance.

(n) To impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Amended and Restated Declaration, these Bylaws, or the rules and regulations regarding the Community Property and Common Elements.

(o) To enforce in its own name, or on behalf of one or more Lot owners within the Development, the provisions of any restrictive covenant contained in the Amended and Restated Declaration.

Any assessments, charges or fines levied against members shall specifically relate to the need to preserve and fulfill the purposes set forth in the Association's Articles of Incorporation and are applied to owners of Lots in their capacity as owners-members rather than in some other capacity such as customers for services.

Section 5.13. Delegation. The Board may delegate any or all of its powers to a managing agent.

ARTICLE VI
Officers

6.1. Designation of Officers. The officers of this Association shall be a President, a Vice President, a Secretary, and a Treasurer. Each officer shall be a Lot Owner or the individual nominee of a Lot Owner which is other than an individual. A person may hold one or more of such offices at one time, except that the President shall not at the same time hold another office in the Association. The Board may elect an assistant treasurer, an assistant secretary and such other officers as in its judgement may be necessary. Assistant Board members shall not have voting privileges.

6.2. Election of Officers. Officers of the Association shall be determined by the Board. Elections shall be held every year at the first meeting of the Board held after the annual meeting of the members. In the event that an insufficient number of members are willing to have their names placed in nomination to serve as an officer of the Association, the Board of Directors shall place the names of each and every member who is not otherwise an officer or director of the Association in nomination for the position of officer, and a sufficient number of members names shall be selected by lot from the total of such names nominated. The determination of which of the chosen names shall fill which of the vacant officer positions shall be in the sole discretion of the Board of Directors.

6.3. Term. Each officer shall serve until his successor has been duly elected and has qualified.

6.4. Removal. Any officer may be removed, with or without cause, and without notice, by the Board.

6.5. Vacancy. Any vacancy in any office shall be filled by the Board, and an officer elected to fill a vacancy shall serve for the unexpired term of his predecessor in office.

6.6. Powers and Duties of Officers.

(a) President. The President shall be the chief Executive officer of the Association and shall see that all actions and resolutions of the Board are carried into effect.

(b) Vice President. The Vice-President shall perform such duties of the President as shall be assigned to him by the President, and in the absence of the President shall perform the duties and functions of the President.

(c) Secretary. The Secretary shall keep the minutes of all meetings and actions of the Board and of the members; shall give all required notices to the Directors and members; shall keep the records of the Association, except those kept by the Treasurer; shall perform all other duties incident to the office of secretary of a corporation; and shall perform such other duties required by the Board or the President.

(d) Treasurer. The Treasure shall have custody or oversight of all intangible property of the Association, including funds, securities, and evidences of indebtedness; shall keep the books of the Association in accordance with good accounting practices and principles, and upon request shall submit them, together with all vouchers, receipts, records, and other papers to the Board for examination and approval; shall deposit all monies and other valuable effects in depositories designated by the Board; shall disburse funds of the Association as directed by the Board; and shall perform all other duties incident to the office of a treasurer of a corporation.

6.7. Execution of Agreements, Etc. All; agreements, deeds, mortgages, or other instruments (including amendments to the Declaration) shall be executed by the President or by such other person or persons as may be designated by the Board.

6.8. Amendments to Declaration. The President of the Association shall execute any amendments to the Amended and Restated Declaration, with the Secretary of the Association attesting to that signature.

6.9. Compensation of Officers Restricted. No officer shall be compensated for his services in such capacity but may be reimbursed for out-of-pocket expenses incurred in performing his duties.

ARTICLE VII
Indemnification of Directors and Officers

The Association shall indemnify such persons, for such expenses and liabilities, in such manner, under such circumstances, and to such extent, as permitted by the North Carolina General Statutes, as now enacted or hereafter amended. In addition, the Association is authorized to maintain Officers and Directors Liability Insurance.

ARTICLE VIII
FISCAL MANAGEMENT

8.1. Depository. The Board shall designate a depository for the funds of the Association and may change such depository at any time. Withdrawal of funds from such depository shall be only by checks signed by any two (2) officers of the Association, or as authorized by the Board.

8.2. Fiscal Year. The Fiscal Year of the Association shall run the 1st of January through December 31st of the calendar year provided that the Board, from time to time, by resolution, may change the Fiscal Year to some other designated period.

ARTICLE IX
Amendment

The amendment of Bylaws or adoption of new Bylaws can only occur at a meeting of the members and shall require an affirmative vote of sixty-seven percent (67%) of the members to such changes.

ARTICLE X
General Provisions

10.1. Parliamentary Authority. Robert's Rules of Order, Newly Revised, shall govern the conduct of the Association proceeding when not in conflict with the Amended and Restated Declaration, the Articles, the Act, or any of the statutes of the State of North Carolina applicable thereto. The President of the Association shall have the authority to appoint a parliamentarian.

10.2. Compliance with the Act; Conflict; Severability. These Bylaws are established in compliance with the Act. Should any of the terms, conditions, provisions, paragraphs or clauses of these Bylaws conflict with any of the provisions of said Act, the provisions of said Act shall control unless the Act permits these Bylaws to override the Act, in which event these Bylaws shall control. In the case of any conflict between the provisions of these Bylaws and the Amended and Restated Declaration, the Amended and Restated Declaration shall control. If any term, provision, limitation, paragraph or clause of these Bylaws, or the application thereof to any person or circumstance, is judicially held to be invalid, such determination shall not affect the enforceability, validity, or effect of the remainder of these Bylaws, or the application thereof to any other person or circumstance.

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IN WITNESS WHEREOF, the undersigned officers of the Association hereby certify that the above amendments to the Bylaws were duly adopted by the Association and its membership.

THIS the 10 day of February 2020.

THE RESERVE PROPERTY OWNERS ASSOCIATION, INC.

By: _____
Robert Bryant, President

Attest: Elizabeth M. Bryant
Elizabeth Bryant, Secretary

STATE OF North Carolina

COUNTY OF Buncombe

I Loreli E. Bramble-Puckett, Notary Public for the County and State aforesaid, certify that Elizabeth Bryant ~~Sarah Pooser~~ personally came before me this day and acknowledged that she is Secretary of Reserve Property Owners Association, Inc., a nonprofit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by himself as its Secretary.

Witness my hand and official seal, this the 10th day of February, 2020.

(SEAL)

LORELI E. BRAMBLE-PUCKETT
NOTARY PUBLIC
BUNCOMBE COUNTY, NORTH CAROLINA

Loreli E. Bramble-Puckett
Notary Public

My commission expires 10/3/2021