

**BYLAWS
OF
KINGS CROSSING MEDICAL PLAZA OWNERS ASSOCIATION, INC.**

Article 1 - Business Address; Registered Office Address

The business address and registered office address of Kings Crossing Medical Plaza Owners Association, Inc. (the "**Association**") shall be as stated in the records of the North Carolina Secretary of State. The business address and/or registered office address may be changed by the Board of Directors of the Association if required by the U.S. Postal Service, or, upon approval of the membership, for any other reason.

Article 2 - Membership in the Association

Every person or entity who is a record owner of a fee or undivided fee interest in any of the units in Kings Crossing Medical Plaza Office Condominium (the "**Condominium**"), located in Mecklenburg County, North Carolina, shall be a member of the Association. Ownership of such interest shall be the sole qualification for membership, and membership shall be appurtenant to and may not be separated from such ownership.

Article 3 - Purposes of the Association

The purposes and duties of the Association shall be:

- A) To manage the Condominium pursuant to the terms and provisions of Article 3 of Chapter 47C of the North Carolina General Statutes, these Bylaws, any Rules and Regulations promulgated by the Association or its Board of Directors and that Declaration of Condominium – Kings Crossing Medical Plaza Office Condominium of record at Book 24948 Page 370, Mecklenburg County Registry, (the "**Declaration**"), as the same may be amended from time to time;
- B) To enforce the provisions of these Bylaws, the Declaration, and any Rules and Regulations promulgated by the Association or its Board of Directors;
- C) To promote and protect the enjoyment and beneficial use and ownership of all of the units of the Condominium (the "**Units**").

No part of the net earnings of the Association shall inure to the benefit of its members, the members of its Board of Directors or its officers, or to any other person, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the above stated purposes.

Article 4 - Assessments

The Association shall make and collect assessments against the Units as stated in the Declaration, and any amendments thereto.

Article 5 - Meetings of Members

Section 5.1 Place of Meetings. All meetings of members shall be held at such place in Mecklenburg County, North Carolina, as shall be designated on the notice of the meeting or agreed upon by a majority of the members entitled to vote thereat.

Section 5.2 Annual Meetings. The annual meeting of the members shall be held during the month of May of each year on any day during that month (except a legal holiday) as determined by the Board of Directors, for the following purposes:

- a. to ratify or reject the summary of the proposed budget submitted by the Board of Directors pursuant to Article 6 below;
- b. to elect the Board of Directors of the Association; and
- c. to transact any other business that may come before the membership, including but not limited to the adoption, modification and/or repeal of any Rules and Regulations governing the Condominium.

Section 5.3 Substitute Annual Meeting. If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 5.4. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 5.4 Special Meetings. Special meetings of the members may be called at any time by the President or the Board of Directors of the Association, or upon the written request of members representing not less than twenty percent (20%) of the votes in the Association.

Section 5.5 Notice of Meetings. Written notice of the meeting shall be delivered not less than fourteen (14) nor more than thirty (30) days before the date of any members' meeting, either personally or by mail, by or at the direction of the President, the Secretary, or other person calling the meeting, to each member of record. The notice shall state the time and place of the meeting and shall also state the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes and any proposal to remove an Officer or Director. If mailed, such shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his/her address as it appears on the record of members of the Association, with postage thereon prepaid. It shall be the responsibility of the individual members to keep the Secretary informed of their current addresses. In the absence of instructions from an individual member as to his/her address, the Secretary shall be entitled to rely on the most recent records of the Mecklenburg County Tax Collector to determine the addresses of the owner(s) of a Unit. The notice of meeting must state the time and place of the meeting and all items on the agenda for the meeting.

When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than thirty days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

Section 5.6 Voting Rights. On matters of the Association's business submitted to vote of the membership, each Unit shall be entitled to cast the number of votes that is equal to the number of its percentage interest (allocated interest) in the Common Elements as provided in the Declaration, as the same may be amended from time to time. For example, if the allocated interest of a Unit is 2.78%, then that Unit shall be entitled to cast 2.78 votes. The total number of votes of the entire membership shall be 100. There shall be no requirement of a quorum for submitting any matter to a vote at any Annual Meeting or Substitute Annual Meeting properly called and convened pursuant to these Bylaws. At any special meeting of members, fifty percent (50%) of the potential votes (represented either in person or by proxy) shall constitute a quorum for the purposes of submitting any matter to a vote. Except as otherwise provided by the Declaration, Chapter 47C of the North Carolina General Statutes, or these Bylaws, all matters submitted to a vote at any meeting held in accordance with these Bylaws shall be decided by a simple majority of the total votes cast. If only one of the multiple owners of a Unit is present at a meeting of the Association, that one owner is entitled to cast all the votes allocated to that Unit. If more than one of the multiple owners is present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple owners. Majority agreement is conclusively presumed if any one of the multiple owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

Section 5.7 Voting by Proxy. Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Unit owner. If a Unit is owned by more than one person or entity, each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit owner may not revoke a proxy to the person presiding over a meeting of the Association. A proxy is void if it is not dated. A proxy terminates one year after its date, unless it specifies a shorter term. Any form of proxy which is sufficient by law may be used, but the following form of proxy shall be deemed sufficient:

The undersigned hereby irrevocably constitute and appoint _____ their attorney-in-fact and proxy for the sole purpose of casting the vote allocated to Unit __, on all matters submitted to vote at that meeting of Kings Crossing Medical Plaza Owners Association, Inc., to be held on _____, _____, or any adjournment thereof. The undersigned hereby ratify and confirm all such votes cast on behalf of said Unit at that meeting, and certify that they are fully authorized to execute this instrument of proxy on behalf of all owners of any fee interest in said Unit.

This the _____ day of _____, _____.

Section 5.8 Voting List. At least ten days before each meeting of members, the Secretary of the Association shall prepare an alphabetical list of the members entitled to vote at such meeting or any adjournment thereof, with the address of each, which list shall be kept on file with the book of records of the Association. This list shall be produced and kept open at the time and place of the meeting and shall be subject to inspection by any members during the whole time of the meeting.

Section 5.9 Waiver of Notice. Any member may waive notice of any meeting. The attendance by a member at a meeting shall constitute a waiver of notice of such meeting, except

where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Article 6 - Board of Directors

Section 6.1 Purpose, Number and Term of Office. The business and affairs of the Association shall be managed by a Board of Directors of three (3) individuals, who shall be entitled to act on behalf of the Association. The members of the Board of Directors shall be elected by the membership of the Association at each annual meeting of the members of the Association, to serve until the next annual meeting of the members, and those persons who receive the highest number of votes at a meeting shall be elected. Each member of the Board of Directors shall hold office until his/her death, disability, resignation or removal, or until the expiration of his/her term and the election of his/her successor. All of the Directors elected by the membership of the Association must be Unit owners or officers or managing agents of Unit owners.

Section 6.2 Powers and Duties. The Board of Directors shall have the power and the duty to act on behalf of the Association in all instances, except that the Board may not amend the Declaration, terminate the Condominium, elect members of the Board (except to fill any vacancy in its membership for the unexpired portion of a term) or determine the qualifications, powers, duties or terms of office of members of the Board. In addition, the Board of Directors shall have the following specific powers, duties and responsibilities:

- A) The Board will keep a complete record of all of its acts and all affairs of the Association and make the same reasonably available for examination by any member, his agents or mortgagees.
- B) The Board will adopt a proposed budget for the Association to be approved or rejected by the membership of the Association at its Annual Meeting. The proposed budget shall be adopted at a meeting of the Board to be held not more than thirty (30) days before the Annual Meeting of the membership of the Association. A summary of the proposed budget, including the amount of any proposed assessments against the Units, shall be mailed to the membership with the notice of the annual meeting. The proposed budget shall be deemed ratified unless at the meeting more than fifty-one percent (51%) votes are voted to reject it. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the membership ratifies a budget subsequently proposed by the Board of Directors pursuant to N.C.G.S. Sec. 47C-3-103 (c). Notwithstanding the foregoing, in no event shall any adoption of a proposed budget prevent the Board from adopting a special assessment later in the year, after the adoption of the proposed budget.
- C) The Board shall annually promulgate written Rules and Regulations governing the use and maintenance of all common elements of the Condominium, which shall be binding on the owners of all of the Units, their lessees and guests. The Board shall annually mail copies of the current Rules and Regulations to the owners of all of the Units.

- D) The Board may fine any Unit owner an amount not to exceed One Hundred Fifty Dollars (\$150.00) for any single violation of the Declaration, these Bylaws or any Rules and Regulations promulgated by the Board, and if the Board so determines each week or longer period of a continuing violation shall be treated as a separate violation. Multiple fines may be assessed against any Unit owner for multiple violations, and any such fines shall be deemed assessments against the Unit of such owner, and shall be collectable as provided in the Declaration.
- E) The Board may contract a management agent to perform and execute such duties, functions and responsibilities of the Board as the Board may deem appropriate; however, no such contract shall relieve the Board from its fiduciary duty to the Association.

Notwithstanding any other provision herein, the Board of Directors is authorized, on behalf of the Association, to submit any dispute with or claim against the owner(s) of any Unit to voluntary arbitration pursuant to any arbitration program then in effect in the General Court of Justice of Mecklenburg County, North Carolina.

Section 6.3 Removal of Directors. Any director may be removed at any time with or without cause by a vote of at least fifty-one percent (51%) of the total votes represented in person or by proxy at any meeting of the membership of the Association at which a quorum is present.

Section 6.4 Vacancies. In the event of the death, disability, resignation or removal of a director, his/her successor shall be selected and appointed by the remaining members of the Board of Directors to serve until the next meeting of the membership of the Association.

Article 7 - Meetings of the Board of Directors

Section 7.1 Called Meetings. Meetings of the Board of Directors may be called by or at the request of the President or any one (1) director.

Section 7.2 Notice of Meeting. The person or persons calling a meeting of the Board of Directors shall, at least ten (10) days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

Section 7.3 Waiver of Notice. Any member of the Board of Directors may waive notice of any meeting. The attendance by a member of the Board of Directors at a meeting shall constitute a waiver of notice of such meeting, except where a member of the Board of Directors attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 7.4 Quorum. A majority of the number of the members of the Board of Directors fixed by these Bylaws shall constitute a quorum for the transaction of business at any meeting of the members of the Board of Directors.

Section 7.5 Manner of Acting. Except as otherwise provided in these Bylaws, the act of the majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7.6 Informal Action by Members of the Board of Directors. Action taken by a majority of the members of the Board of Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all of the members of the Board of Directors and filed in the book of records of the Association, whether done before or after the action so taken.

Section 7.7 Committees of the Board. The Board of Directors may establish either standing or ad hoc committees of the members to assist it in its work. Such committees shall be chaired by a member of the Board of Directors.

Article 8 - Officers

Section 8.1 Designation. The officers of the Association shall consist of a President, a Vice-President, a Secretary, a Treasurer, and an Assistant Secretary. The offices of Secretary and Treasurer may be held by the same person; otherwise, no two offices may be held by the same person.

Section 8.2 Election and Term. The officers of the Association shall be appointed by each newly elected Board of Directors of the Association as soon as practicable after the annual meeting of members at which that Board was elected. Members of the Board shall be eligible to serve as officers of the Association. Each officer shall hold office until his/her death, disability, resignation or removal, or until the appointment of his/her successor by a subsequently elected Board of Directors.

Section 8.3 President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He/she shall, when present, preside at all meetings of the members. He/she shall sign, with the Secretary, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general he/she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President, together with the Secretary, shall execute any amendments to the Declaration or these Bylaws approved by the membership of the Association.

Section 8.4 Vice President. In the absence of the President or in the event of his/her death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President, and shall perform such other duties as from time to time may be assigned to him/her by the President or the Board of Directors.

Section 8.5 Secretary. The Secretary shall: (a) keep minutes of the meetings of members, of the Board of Directors and of all Executive Committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on

behalf of the Association under its seal is duly authorized; (d) be authorized to certify and oversee the recordation of amendments to the Declaration or these Bylaws on behalf of the Association; (e) keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 8.6 Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; (b) receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such depositories as shall be selected in accordance with the provisions of Section 9.4 below; (c) prepare, execute and deliver certificates of Assessments as provided by the Declaration; and (d) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 8.7 Assistant Secretary. In the absence of the Secretary or in the event of his/her death, inability or refusal to act, the Assistant Secretary shall perform the duties of the Secretary, and in so doing shall have all the powers of and be subject to all the restrictions upon the Secretary.

Article 9 - Contracts, Loans, Checks, and Deposits

Section 9.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on the behalf of the Association, and such authority may be general or confined to specific instances.

Section 9.2 Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 9.3 Checks and Drafts. All checks, drafts or other orders for the payment of money, issued in the name of the Association, shall be signed by the President or the Treasurer of the Association.

Section 9.4 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors may select.

Article 10 - Indemnification

Any person who at any time serves or has served as an officer or member of the Board of Directors shall have a right to be indemnified by the Association to the fullest extent permitted by law against (a) reasonable expenses, including attorneys' fees, incurred by him/her in connection with any threatened, pending, or completed civil, criminal, administrative, investigative, or arbitrative action, suit, or proceeding (and any appeal therein), whether or not brought by or on behalf of the Association, seeking to hold him/her liable by reason of the fact that he/she is or was acting in such capacity, and (b) reasonable payments made by him/her in

satisfaction of any judgment, money decree, fine, penalty or settlement for which he/she may have become liable in any such action, suit or proceeding.

Upon request for payment, the President of the Association shall promptly call a special meeting of the Board of Directors to obtain approval to pay the indemnification required by this Article 10. Such approval may be general or confined to specific instances, and shall not be unreasonably withheld. Upon approval by the Board of Directors, the President shall promptly cause the indemnification to be paid to the requesting party.

Any person who at any time after the adoption of this Article 10 serves or has served as an officer or member of the Board of Directors shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Article 10.

Article 11 - Dissolution

In the event of dissolution of the Association, the residual assets of the Association will be distributed to a nonprofit organization with purposes similar to those of the Association, or to any other organization eligible under the provisions of Chapter 55A of the General Statutes of North Carolina.

Article 12 - General Provisions

Section 12.1 Seal. The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Association.

Section 12.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 12.3 Amendments. The members of the Association may amend these Bylaws, repeal these Bylaws and/or adopt new Bylaws by the affirmative vote of greater than fifty percent (50%) of member votes, cast in person or by proxy at any meeting of the members of the Association held in accordance with these Bylaws. The Secretary of the Association shall certify in the records of the Association the results of the vote approving and authorizing any such action; however, any such amendment, rescission, repeal or restatement of these Bylaws, or any such adoption of new bylaws, need not be recorded in the Mecklenburg County Registry to be effective. Notwithstanding the foregoing, in no event shall any amendment or revision to these Bylaws which has the effect of reducing the benefits afforded to, or increasing the obligations imposed on, any member be adopted without the written consent of said member.

Section 12.4 Conflicts. In the event of any conflict between the terms and provisions of these Bylaws and the terms and provisions of the Declaration, the terms and provisions of the Declaration shall control.

Section 12.5 References to Statutes. All references herein to any statutory provisions shall be construed to include and apply to any subsequent amendments to or replacements of such provisions.

[The next page is the signature page.]

The foregoing instrument, consisting of ten (10) pages, is hereby approved, accepted and adopted by the Association as the Bylaws of Kings Crossing Medical Plaza Owners Association, Inc., to be effective at July 2, 2009.

KINGS CROSSING MEDICAL PLAZA
OWNERS ASSOCIATION, INC.

By: *Diane B. Rivers*

Name: Diane B. Rivers

Title: Initial Director

By: *Thomas W. Hauch*

Name: Thomas W. Hauch

Title: Initial Director

By: *Karon Hauch*

Name: Karon Hauch

Title: Initial Director