

BY-LAWS

MIDDLEMOUNT BLOCK D PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

Section 1. The name of this Association is MIDDLEMOUNT BLOCK D PROPERTY OWNERS ASSOCIATION, INC.

Section 2. Its principal office shall be located in Transylvania County, NC.

ARTICLE II

MEMBERSHIP

The members of this Association shall be all of the owners of lots in Block D of Middlemount Subdivision, and purchase of a lot in Block D of Middlemount shall automatically make the owner thereof a member upon recordation of the deed thereto.

ARTICLE III

PURPOSE

The Association has been formed for the purposes set out in Chapter 55A of the General Statutes of North Carolina and for the following specific purposes:

- (a) To maintain and improve the private roads of Block D;
- (b) To provide architectural control of all structures within Block D in accordance with the Declaration of Covenants for Middlemount Block D;
- (c) To preserve the integrity of Block D as a natural area to the extent feasible and compatible with residential dwellings and access thereto;
- (d) To provide an entity for management of the affairs of the Association;
- (e) To ensure that all covenants of Block D are enforced.

ARTICLE IV

MEMBERS' MEETING

Section 1. The annual members' meeting shall be held on the third Saturday of September of each year beginning in 2004, at a time and place designated by the Board of Directors.

Section 2. Special members' meetings shall be held whenever called by the President or by a majority of the Board of Directors. A special meeting must be called by