

Three primary questions re “ownership”...

1. The authority currently granted to the Board in terms of "sales".
2. Whether the unit in question, and any other units, are currently in violation of the covenants.
3. If desired, what can be done to tighten and further restrict the various types of currently allowed ownership.

However, first...

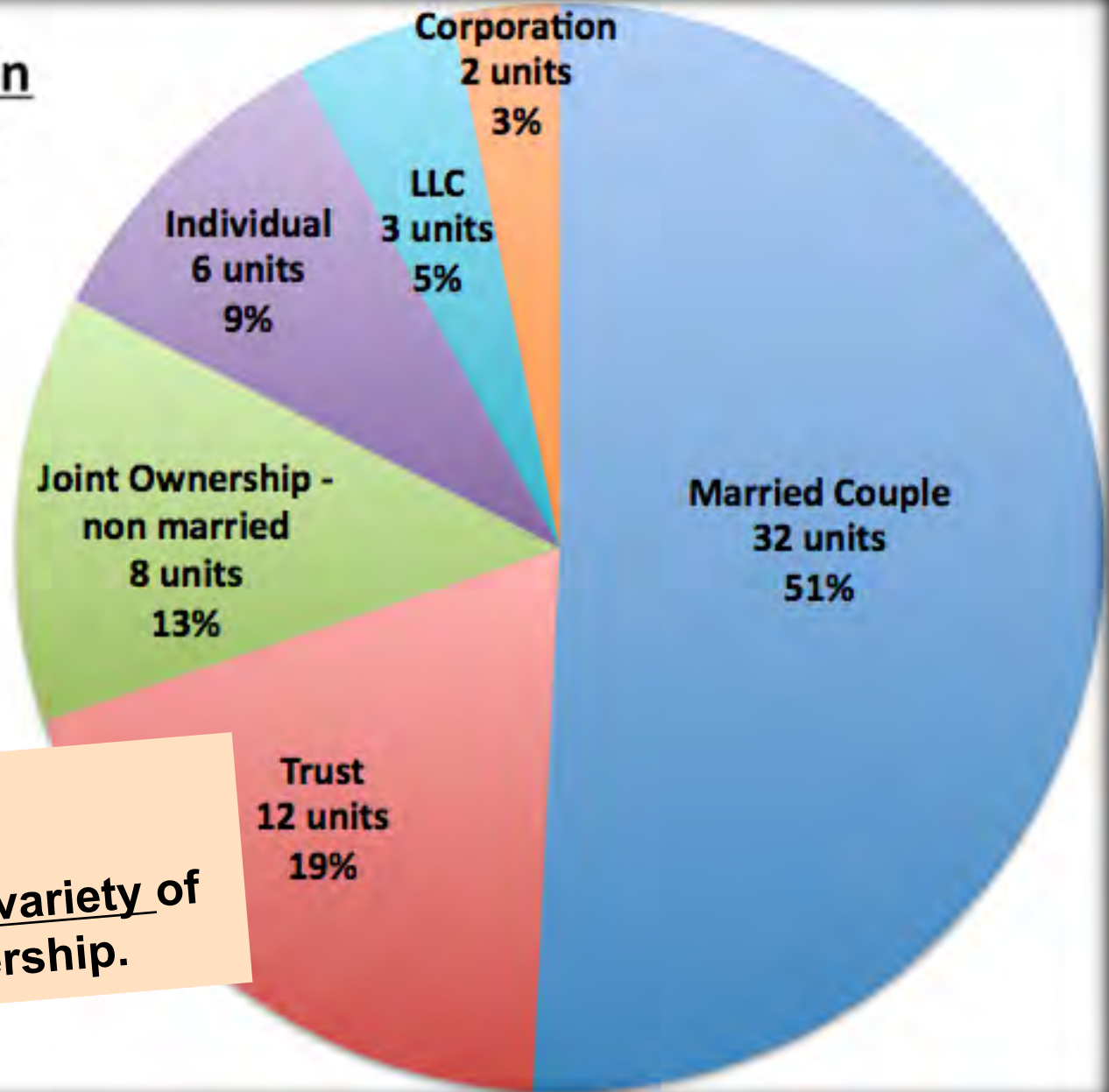
1. Current status of Fleetwood ownership.

2. History of varieties of ownership arrangements.

Ownership Breakdown of Fleetwood Units

April 19, 2012

Source: Henderson Co. Recorded Deeds



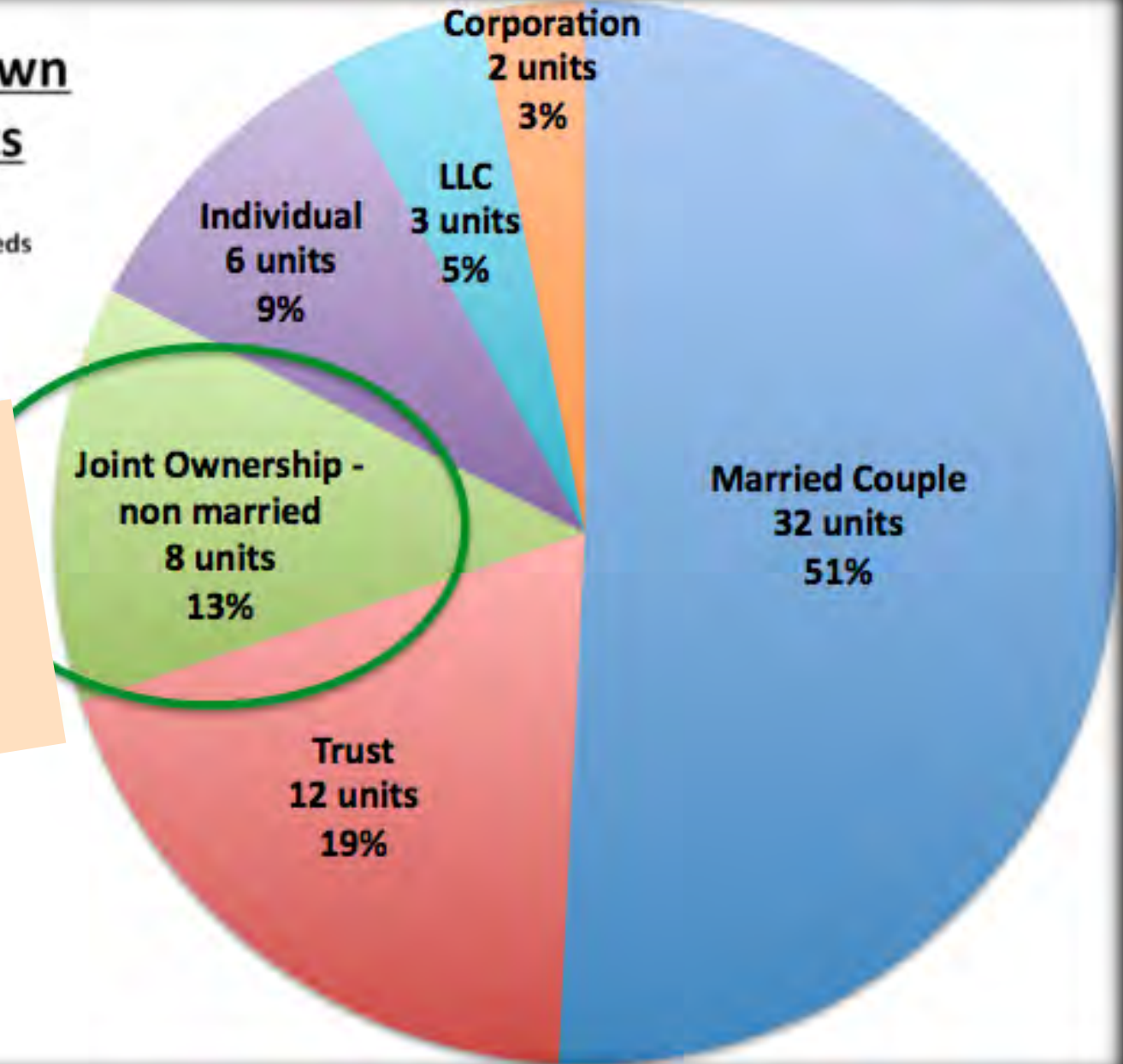
Conclusion:

Fleetwood has a wide variety of various forms of ownership.

Ownership Breakdown of Fleetwood Units

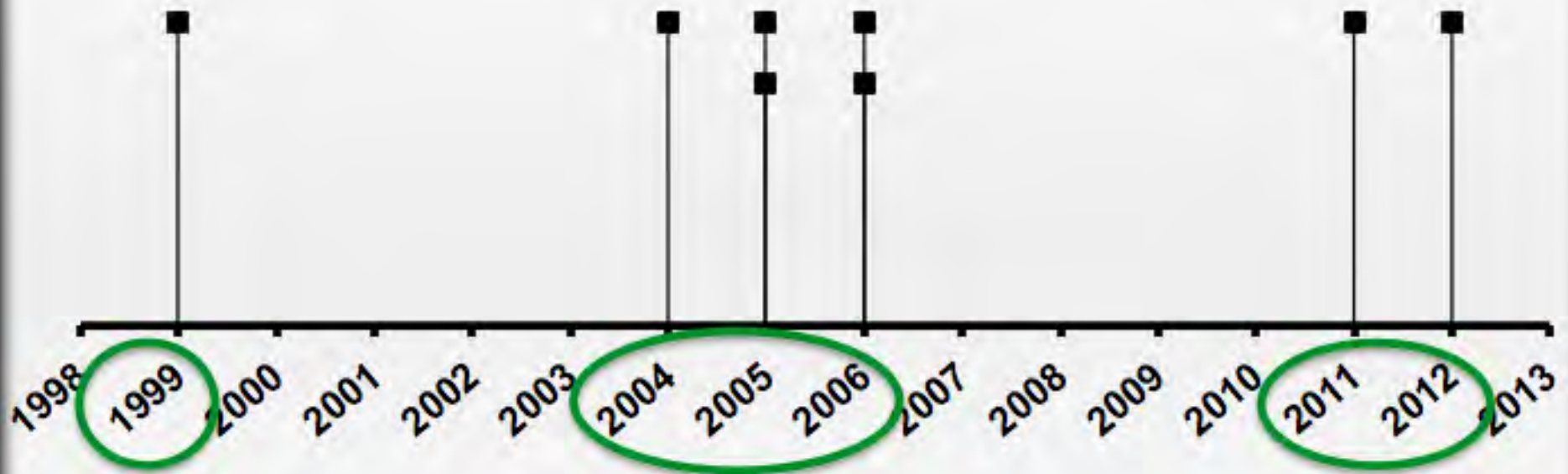
April 19, 2012

Source: Henderson Co. Recorded Deeds



**See next
slide for
timeline of
these eight.**

Fleetwood Plaza Association
Timeline of Current Eight "Joint Ownership" Deeds
(unmarried individuals)



Joint Ownership is Nothing New

Timeline for Unit 403 Sale...

Written notification of sale -

Wednesday, April 11th



2 days

Closing -

Friday, April 13th



2 days

Community Notified

Sunday, April 15th

Question #1

1. The authority currently granted to the Board in terms of "sales".

(Red Book and legal scope of the Board's authority.)

Question #1

1. Conclusion to question #1:

to The Board could not and should not
(R have interfered with the recent
Boa (or any other) sale. Reason? It has
NO authority to do so.

Further, had it done so, it would have
exposed the Association to significant
Legal and financial risk.

Question #2

2. Whether the unit in question, and any other units, are currently in violation of the covenants.

Applicable Provisions

From

The Red Book

Section 3.18 (page 22)

Person means a natural person, corporation, business, trust, estate trust, partnership, association, joint venture, government, governmental subdivision or agency or other legal or commercial entity.

Section 3.20 (page 23)

Resident means and includes owners [plural], their immediate family members, tenants, and lessees.

Section 3.23 (page 23)

Unit Owner or Owner or Member means a person or persons [plural] who own a Unit that is (are) the record Owner(s) of a Unit within the Condominium but shall not mean a mortgage holder.

Section 5.4 (page 27)

No Partition. The Common Elements shall remain undivided and no right to partition the same or any part thereof shall exist except as provided in the Condominium Act, this Declaration, and the Bylaws.

See continuation on next slide for relevant statement.

Section 5.4 (continued)

Nothing contained herein, however, **shall be deemed to prevent ownership of a condominium unit by more than one person,** either as tenants by the entireties, or as tenants in common, or in any other form by law permitted.

Section 7.1 (page 28)

Conclusion:

Single family use is defined, by law, as 1) structural or 2) simultaneous, ongoing use by more than one family.

Residential. Each of the units now constructed or to be constructed on the property shall be, and the same hereby are, restricted exclusively to single-family residential use, and shall be occupied only by a single family, its nurses, aides, servants, or caretakers, and guests. The provisions of this Paragraph do not apply to property being used by the Regime as incidental to the operations and organization of the Regime.

Section 7.18 (page 31)

Prohibition of Time-Sharing. Time-sharing and time shares as defined in the North Carolina Time Share Act (N.C. Gen. Stat. § 93A-39 et seq.) of any Unit in the Condominium is prohibited

Section 13.2 (page 47)

Conclusion:
Notification is the ONLY
requirement for sales.

Notice of Sale or Lease. Any Owner intending to sell or lease his or her Unit shall give notice in writing to the Board of Directors of such intention at the time the Unit goes under contract and provide such other information as the Board may reasonably require. Any Owner intending to lease his or her Unit shall provide to the Board or its designated agent a copy of the signed lease within fifteen days of the signing of the lease and prior to occupancy. Failure to provide a copy of the lease will result in the imposition of a fine against the Owner. The Board of Directors shall have authority to make and to enforce reasonable rules and regulations in order to enforce this provision, including the right to impose fines.

Section 4 (Bylaws) (page 10)

Conclusion:

The possibility of multiple ownership is actually **ASSUMED**.

Voting. Each Unit shall be entitled to one (1) vote which may be cast in accordance with the terms herein. A vote may be cast by the Owner, or by a lawful proxy, as provided below, *and shall be allocated* as provided in the Declaration. **When more than one person owns a Unit,** the vote for such Unit shall be *exercised as they* between or among themselves determine, but in no *event* shall more than one (1) vote be cast with respect to any *Unit*. *In the event* of disagreement among such persons and an attempt by two or more of them to cast such vote or votes, such persons shall not be *recognized and such vote or votes shall not* be counted. The Board may prohibit any owner from voting, either in person or by proxy, or from being elected to the Board of Directors if such owner is shown on the books or management accounts of the Association to be more than sixty (60) days delinquent in any payment due the Association.

Question #2

2. Whether the unit in question, and any other units, are currently in violation of the covenants.

Conclusion to Question #2: All units, including the recent sale, are legal and proper.

Question #3

~~1. The authority currently granted to the Board in terms of "sales".~~

~~2. Whether the unit in question, and any other units, are currently in violation of the covenants.~~

3. **If desired**, what can be done to tighten and further restrict the various types of currently allowed ownership?

Only remaining question.

Next steps...

- Minutes
- Written attorney opinion
- Survey of all residents
- Review of responses
- Formation of Committee (if needed)
- Committee Recommendation re Red Book revisions (if needed)
- Community vote on revisions (67% needed)