

BYLAWS OF CRENSHAW MANOR HOMEOWNERS ASSOCIATION, INC.

ARTICLE I ASSOCIATION MEMBERS

Section 1. ANNUAL MEETING OF MEMBERS. The annual meeting of the Members of the Association shall be held at the principal office of the Association, or at such other place as may be designated by the Board of Directors, at an hour to be fixed by the President, on the second Tuesday in January of each year for the purpose of electing directors and for the transaction of such other business as may be brought before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

Section 2. SUBSTITUTE ANNUAL MEETING. If the annual meeting shall not be held on the day designated in these Bylaws, a substitute annual meeting at the principal office of the Association, or such other place as may be designated by the Board of Directors, may be called in accordance with the provisions of Section 3 of this Article I. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 3. SPECIAL MEETINGS OF MEMBERS. Special meetings of the Members may be held in the principal office of the Association, or such other place as may be designated by the Board of Directors, whenever called in writing by the President or any member of the Board of Directors of the corporation or by Members representing twenty percent (20%) of the Membership entitled to vote.

Section 4. NOTICE OF MEETING. Written or printed notices stating the time and place of meeting shall be mailed or delivered by the Secretary to each member of record at the member's last known address. The notice of each meeting shall be mailed or delivered by the Secretary not less than ten (10) days nor more than fifty (50) days prior to the date set for such meeting and as to special meetings, the Notice shall indicate the purpose or purposes thereof.

Section 5. QUORUM. At any meeting of the Members, twenty percent (20%) of the Members entitled to vote, present in person or represented by proxy, shall constitute a quorum of the Membership for all purposes. If a quorum is not present, the meeting may be recessed from time to time by announcement from the chair at the time such meeting was set and such shall be sufficient notice of the time and place of the recessed meeting. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 6. ORGANIZATION. The President, or, in his absence, the Vice President, shall preside over all meetings of Members, and the Secretary of the Association shall act as Secretary at all meetings of the Members; provided, however, in the Secretary's absence the President may appoint a Secretary for the meeting of the Members.

Section 7. VOTING. Each member of the Association, as defined in the Articles of Incorporation of said Association, shall be entitled to one vote, by voice or written ballot as may be designated by the Board of Directors, on each matter submitted to a vote at a meeting of Members. The vote of a majority of the Members at a meeting of Members at which a quorum is present in person or by proxy shall be the act of the Members on that matter, unless the vote of a greater number is required by law or by the Articles of Incorporation or other Bylaws of this Association. Cumulative voting shall not be allowed.

Section 8. VOTING BY PROXY. The vote allocated to a member may be cast pursuant to a dated written proxy signed by the member and delivered to the Secretary of the Board of Directors prior to the start of the meeting of the Members. A member may not revoke a proxy except by written notice delivered to the Secretary of the Board of Directors prior to the start of the meeting of the Members. A proxy terminates one year after its date, unless it specifies a shorter term.

Section 9: MEMBER IN SUSPENSION. Any member who is delinquent in payment of annual or other assessments by more than 60 days, as determined by the Treasurer or Secretary-Treasurer of the Association, shall be deemed a member in suspension and shall not be entitled to voice or vote at any meeting of the Association. At the time any such member makes payment of any delinquencies plus interest, said member shall be entitled to voice and vote at any meeting of the Association and all other privileges shall be restored.

Any member whose proxy is or has been delivered to the Secretary prior to the start of any meeting of the Association and if the member is deemed by the Secretary or the Secretary-Treasurer of the association to be delinquent, that proxy shall not be considered as a valid voting proxy until such time as the delinquency shall have been removed.

ARTICLE II BOARD OF DIRECTORS

Section 1. NUMBER AND TERM OF OFFICE. The affairs of the Association shall be managed by a Board of Directors of at least three (3) Members, the initial board being named in the Articles of Incorporation of the Association, and which initial directors shall serve until new board Members are elected as herein provided.

The Association shall have the right to increase the number of Directors at any annual or special meeting where the intention to increase the number of Directors has been set forth as a purpose of the meeting in a notice properly sent to the Membership as provided herein. The Board of Directors shall be entitled to act on behalf of the Association, in all routine, day to day operations of the Association. Said Board shall include the four offices of President, Vice President, Secretary and Treasurer of the Association.

The term of office for each Board member shall be until the successors to such offices shall have been duly elected and qualified as hereinafter stated. Corporate Members may elect individual candidates as said officers as hereinafter provided.

Section 2. ELECTION OF DIRECTORS. The Board of Directors, or a committee thereof, shall present a ballot of those Member-candidates who will stand for election as Directors. Nominations of Member-candidates may also be received from the floor. Those individuals who receive the highest number of votes from the Members present in person or by proxy at a properly called Meeting of the Members, at which a quorum is present in person or by proxy, shall be deemed to have been elected to the seats to which they are nominated. Cumulative voting shall not be allowed.

Section 3. COMPENSATION. No Board member shall receive compensation for any service he or she may render to the Association. However, with the approval of the Board, any Board member may be reimbursed for actual and properly documented expenses incurred in the performance of Board duties and submitted in a timely manner to the Treasurer.

Section 4. ACTION WITHOUT MEETING. The Board shall have the right to take any action in the absence of a meeting which they could take at a duly held meeting by obtaining the written consent of all of the Board Members to the action. Any action so approved shall be filed in the corporate books and records and shall have the same effect as though taken at a meeting of the Board.

Section 5. MEETINGS. Meetings of the Board shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Special meetings of the Board may be called by any member of the Board after not less than five (5) days' notice to each Board member.

Section 6. QUORUM. A majority of the Board Members shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Board Members present at a duly held meeting shall be regarded as the act of the Board.

Section 7. POWERS AND AUTHORITY OF THE BOARD OF DIRECTORS. Subject to the provisions contained herein and applicable law, the Board shall have the power and authority to exercise all of the rights and powers of the Association, including, but not limited to, the following powers:

- (a) To declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;
- (b) To employ a manager, an independent contractor, or other employees as is deemed necessary, and prescribe their duties; provided that any contract for professional management must contain a clause requiring not more than ninety (90) days termination notice;

- (c) To procure, maintain, and pay premiums on insurance policies and equitably assess the Members for their prorata portion of such expense; (d) ! To exercise all other powers that may be exercised in this state by legal entities of the same type as the Association;
- (e) To exercise any other powers necessary and proper for the governance and operation of the Association; and
- (f) To have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of North Carolina by law may now or hereafter have or exercise.

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Section 8. DUTIES OF THE BOARD OF DIRECTORS. It shall be the duty of the Board to do the following:

- (a) To keep a complete record of all its acts and corporate affairs and present a statement thereof to the Members at the annual meeting, or at any special meeting when such statement is requested in writing by twenty (20%) percent of the Members;
- (b) To supervise all officers, agents and employees of the Association, and see that their duties are properly performed;
- (c) To fix the amount of the annual assessment based on the projected budget for the annual assessment period and pursuant to the provisions set forth in the Protective and Restrictive Covenants of the subdivision as the same as defined in the Articles of Incorporation;
- (d) To send written notice of each assessment to every member at least thirty (30) days in advance of the due date for each assessment;
- (e) To foreclose any unpaid assessments and liens resulting therefrom against any property for which assessments are not paid within thirty (30) days after assessment due date, or to bring an action at law against the member personally obligated to pay the same;
- (f) To issue, upon a timely request delivered to the Secretary of the Board of Directors, or have issued for a reasonable charge, a certificate setting forth whether or not any assessment has been paid; provided, however, that if a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment as to all parties except the member and lot owner as of the date of the assessment

ARTICLE III OFFICERS

Section 1. OFFICERS. The Executive officers of this Association shall be a President, Vice President, Secretary and Treasurer. A single person may hold more than one office at a time.

Section 2. ELECTION OF OFFICERS. The Board of Directors, or a committee thereof, shall present a ballot of those Member-candidates who will stand for election as Officers. Nominations may also be received from the floor. Those Member-candidates who receive the highest number of votes from the Members present in person or by proxy at a properly called meeting, at which a quorum is present in person or by proxy, shall be deemed to be elected to the offices to which they were nominated. Corporate Members may elect individual candidates to said offices. Cumulative voting shall not be allowed. Each officer elected shall serve until the next annual election or until a successor shall have been elected and qualified.

Section 3. POWERS AND DUTIES OF THE EXECUTIVE OFFICERS.

- (a) The **President** shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; and shall co-sign all checks and promissory notes. The President shall also perform such other duties as may be prescribed by the Board of Directors from time to time.
- (b) The **Vice President** shall act in the place of the President in the event of the President's absence, inability or refusal to act, and the Vice President shall exercise and discharge such other duties as may be required by the Board.
- (c) The **Secretary** shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; shall keep the Association seal and affix it on all papers requiring said seal; shall serve notice of meetings of the Board and of the Members; shall keep appropriate current records showing the Members of the Association together with their addresses; shall prepare, execute, certify, and record amendments to the Declaration of Covenants, Conditions and Restrictions on behalf of the Association; and shall perform such other duties as required by the Board.
- (d) The **Treasurer** shall receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by the Board; shall sign all checks and promissory notes (such checks and promissory notes to be co-signed by the President) of the Association; shall keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its annual meeting. The Treasurer shall also perform such other duties as may be prescribed by the Board of Directors from time to time.

Section 4. ACTION WITHOUT MEETING. Each Officer shall have the right to take any action in the absence of a meeting which he or she could take at a duly held meeting by obtaining the written consent to the action of all of the Officer Members. Any action so approved shall be filed in the corporate books and records and shall have the same effect as though taken at a meeting of the Officers.

Section 5. REMOVAL. Any Officer may be removed, with or without cause, by a vote at any meeting of the Members at which a quorum is present of at least seventy (70%) percent of all Members present in person or by proxy and entitled to vote. In the event of death, resignation or removal of an Officer, an interim successor shall be selected by the Board to serve out the remainder of the term.

ARTICLE IV BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member or a mortgagee. The Articles of Incorporation and the Declaration of Covenants, Conditions and Restrictions and By-laws of the Association shall be available for inspection by any member at the principal office of the Association, or at such other location as may be designated by the Board of Directors, where copies may be purchased at reasonable cost.

ARTICLE V FORMS OF PROXY AND WAIVER

The following form of proxy shall be deemed sufficient, but any other form may be used which is sufficient in law:

CRENSHAW MANOR HOMEOWNERS ASSOCIATION, INC.

Know all persons by these presents that the undersigned member of CRENSHAW MANOR HOMEOWNERS ASSOCIATION, INC. hereby constitutes and appoints

_____ the attorney and proxy of the undersigned to annual and special meeting of the Members of CRENSHAW MANOR HOMEOWNERS ASSOCIATION, INC., at which I am not present, until the Secretary of the Association receives from me a letter revoking this proxy and for and on behalf of the undersigned to vote as the undersigned would be entitled to vote if personally present, hereby ratifying and confirming all that said attorney and proxy shall do in the premises, and giving and granting unto said attorney and proxy full power of substitution and revocation.

The proxy shall not be revoked except by written notice delivered to the person presiding over the meeting of the Association. This proxy terminates one year after its date, unless a shorter time is specified.

Dated: _____, 2_____ Member Name Printed Member Signature

Witness: _____

ARTICLE VI GENERAL PROVISIONS

Section 1. AMENDMENTS. Except as otherwise provided herein or in the Protective and Restrictive Covenants of the subdivision as defined in the Articles of Incorporation, these Bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of members at a regular or special meeting of the Members at which a quorum is present by a vote of the majority of the Members present in person or by proxy.

Section 2. ASSOCIATION SEAL. A seal with the words "CRENSHAW MANOR HOMEOWNERS ASSOCIATION, INC." on the outer circle and the date of incorporation within the circle, shall be the common corporate seal of the Association and shall be in the custody of the Secretary.

Section 3. DISSOLUTION. The Association may be dissolved with the assent given in writing and signed by not less than seventy (70%) percent of each class of Members. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be used to pay any creditors of the Association and the costs of dissolution. All residual assets of the Association will be turned over to one or more organizations with similar purposes which are exempt as organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986.

Section 4. INDEMNIFICATION OF DIRECTORS AND OFFICERS. The Association shall indemnify any current or former Director and/or Officer of the Association against liabilities and

reasonable litigation expenses, including attorneys' fees, incurred by him/ her in connection with any action, suit or proceeding in which he/she is made or threatened to be made a party by reason of being or having been such Director and/or Officer, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceeding to have acted in bad faith or to have been liable or guilty by reason or willful misconduct in the performance of his/her duties.

CERTIFICATION

I, the undersigned, do hereby certify: That I am the duly elected and acting Secretary of CRENSHAW MANOR HOMEOWNERS ASSOCIATION, INC., a North Carolina corporation; and that the foregoing Bylaws constitute the amended Bylaws of said Association, as duly adopted by the Members thereof, at a meeting held on the Seventh day of June, 2011.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this _____ day of _____, 2011
Secretary CRENSHAW MANOR Homeowners Association, Inc.