

BY-LAWS
OF
SKI MOUNTAIN PROPERTY OWNERS' ASSOCIATION, AREA I
Revised 7/01/06

ARTICLE I
Purpose and Objectives

1. To encourage active community interest and participation in the continued preservation of Area I of Ski Mountain in order to achieve and maintain a safe, healthful, and harmonious environment for all, and in particular for those living or sojourning therein.
2. To provide property owners an opportunity to participate in and a vehicle for the conduct of the business of the Association.

ARTICLE II
Members

Members shall be those persons or organizations owning one or more parcels of developed or undeveloped land in Area I of Ski Mountain Subdivision, Area I being all properties above Flat Top Road, and who have complied with all dues and assessment requirements established by Area I Ski Mountain Property Owners' Association.

ARTICLE III
Meetings of Members

1. Annual Meeting: The annual meeting of the membership of Area I Ski Mountain Property Owners' Association shall be held on the Saturday closest to July 4th, (meeting may be held in June, depending on availability of meeting facility), at a time and place to be determined by the elected officers of Area I.
2. Special Meetings: Special meetings of the membership of Area I, Ski Mountain Property Owners' Association may be called by the Area President or by not less than ten percent (10%) of the Area membership.
3. Notice of Meetings: Written notice of special and annual meetings of the membership of the area, stating the place, day, hour, and purpose of the meeting shall be delivered either personally or by mail to each area member, not less than ten (10), nor more than thirty (30) days before the date of the meeting.
4. Quorum: The members holding twenty-five percent (25%) of the votes, which may be cast at any meeting, including members represented by proxy shall constitute a quorum for conducting business at any meeting or Area I of Ski Mountain. **If a quorum is not established at the Annual Meeting, current Area Officers will remain in office by default. The current Area President MUST call a Special Meeting within 30 days to elect officers and carry on other business of the SMPOA. This procedure must be continued until a quorum is established at a Special Meeting.**

5. Proxies: At any meeting of the members of the Area, a member entitled to vote may vote by proxy executed in writing by the member.

ARTICLE IV

Officers

1. Officers: The officers of the Area shall be a President, a Vice-President, a Secretary, and Treasurer.
2. Directors: Two (2) Directors shall be elected at the annual meeting to serve with the elected officers on a Board of Directors to manage the business and affairs of the Association.
3. Qualifications and Method of Election: The officers shall be members of the Area, and shall be elected for a term of one (1) year at the annual meeting of the membership of the Area. There shall be no limit on reelection.
4. President: The President shall preside at all meetings of the membership of the Area at which he or she is present, shall exercise general supervision over the affairs and activities of the Area, shall appoint the members of all standing or special committees and shall serve as a member ex-officio of all committees. He or she shall present a budget for the coming year, which budget shall contain proposed dues and assessments for the year, shall not include any deficit spending or budgeting, and shall be voted on by the membership of the Area at the annual meeting.
5. Vice-President: The Vice-President shall assume the duties of the President during his or her absence and shall, automatically ascend to the office of President, serving out the unexpired term in the event of death, resignation, disqualification, or any other inability on the part of the President to complete his or her term office.
6. Secretary: The Secretary shall keep the minutes of all the meetings of the Area, which shall be accurate and an official record of all business transacted. The Secretary shall be custodian of all records
7. Treasurer: The Treasurer shall receive all Area funds, keep them in a bank approved by the membership, keep fiscal records as necessary to reflect the monetary status of the Area and to pay out funds at the direction of the President as the President shall be directed by the membership.
8. Board of Directors: The Officers and the two Directors shall constitute the POA Board of Directors and shall have the power to:
 - a) Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the members by other provisions of these By-Laws, the Articles of Incorporation or the Declaration of Covenants, Conditions and Restrictions.
 - b) Employ and supervise independent contractors or such other employees, as deemed necessary to fulfill needed routine repair and maintenance and to carry out projects as instructed by the membership at annual or special meetings.
 - c) Employ attorneys to represent the Association when deemed necessary.

9. Board of Directors Meetings: The Board of Directors shall meet at least one (1) time per year. This meeting to be held within thirty (30) days prior to the annual POA meeting held in July of each year. Any board member may call a special Board of Directors meeting if circumstances warrant such a meeting.
10. Vacancies: A vacancy in the office of President shall be filled by the Vice-President as set out in 4. above. A vacancy in any other office because of the death, removal, disqualification, or otherwise, of the person holding such office, shall be filled for the unexpired portion of the term by a vote of the membership present at a special meeting of the members of the Area. The plurality for the purpose of this filling of the vacancy shall be fifty-one percent (51%) of the members present or voting by proxy.
11. Miscellaneous Expenditures: The president of the POA with concurrence from a majority of the Board members may approve expenditure up to the amount included in the budget under contingency fund.

ARTICLE V

Voting Rights

To be consistent with the Dues and Special Assessments as levied in Article VI of these By-laws, owners in good standing of improved and unimproved property shall have one (1) vote for each *non-contiguous* property owned; i.e. if a member pays two sets of dues for two separate, *non-contiguous* properties, that member receives two votes, etc. Owners of two or more *contiguous* properties shall have only one (1) vote regardless of the number of *contiguous* properties owned. Ownership of a parcel jointly by more than one owner shall only entitle the owners to one parcel vote; i.e., husband and wife in joint ownership to only one parcel vote.

ARTICLE VI

Dues and Assessments

1. Annual Dues: The annual dues shall be uniform on each member of the Area, and shall be modified, as the member of the Area shall determine at any annual or special meeting. Annual Dues shall run from July 1st of current year through June 30th of following year.
2. Payment of Dues: The annual dues shall be payable thirty (30) days, after the mailing of invoices. The due date will be included on the invoice. Such invoices will be mailed immediately, following the annual meeting. **If the assessment or charge is not paid by the due date, the POA may bring an action at law or in equity against the Property Owner personally, and there shall be added to the amount of such assessment the cost of preparing and filing the legal documents in such action, and in the event a judgment order against the Property Owner is obtained, such judgment shall include interest of the assessment of an annual percentage rate of eighteen (18) percent, reasonable attorney's fees and expenses to be fixed by the court and the costs of the action. In addition, the POA may execute its lien upon the subject property according to procedures prescribed by the laws of North Carolina.**

3. Special Assessments: Special assessments, for programs adopted within the Area shall be made only pursuant to action taken by the members of the Area at a membership meeting, either annual or special, when notice of the meeting and the nature and the amount of the proposed assessment has been given due notice in accordance with the provisions of Article III Section 3 of these By-laws. Special assessments will be due sixty (60) days from the date of mailing. The due date will be noted on the invoice. Actions and penalties for non-payment are the same as indicated in Article VI, Section 2.
4. Ratio of Special Assessments: All Special Assessments adopted within the Area shall be on a ratio of 1 to 1, i.e., improved property owners and unimproved property owners will pay equal portions.

ARTICLE VII

Deed Restrictions

It shall be the obligation of the elected officers, with the assistance of the membership to determine that all recorded Deed Restrictions are complied with. The President and the other elected officials shall constitute the Committee that will approve the proposed plans for construction of improvements to properties.

ARTICLE VIII

Road, Lots, and Common Area Maintenance

1. Improvements: It shall be the policy of the Area that all existing roads, common areas, and rights-of-way shall be maintained in accordance with the objectives of these By-Laws in their present state of construction with funds generated through dues and assessments as approved in the budgetary process. Paved roads will be maintained as paved roads, gravel roads will be maintained as gravel roads, single lane roads will be maintained as single lane roads and dedicated but not constructed roads will remain un-constructed. Mowed rights-of-way and the entrance will be maintained in their present condition. Any improvements beyond the existing state of construction; e.g., paving gravel roads, widening of roads, constructing new roads, or improving or enlarging the common areas can only be approved by an affirmative vote of two-thirds (2/3) of the members of the Area who are present, or who vote by proxy at an annual or special meeting of the Area at which a quorum is present. If property owners fronting on a particular road accept the financial responsibility of improving the road or common areas adjoining their property, and these improvements are accepted by an affirmative vote of the members of the Area at a special or annual meeting, then the maintenance of the improvements shall be assumed by the Area.
2. Snow Removal: The Area President shall have the authority to contract with persons or companies for snow removal within the Area, either individually or in cooperation with the other areas. The Treasurer shall be authorized to make expenditures for this purpose.
3. Maintenance: The Area President shall have the authority to contract with persons or companies for the normal maintenance of the common areas and the roads in the area. The Treasurer is authorized to make expenditures for this purpose. This authority includes expenditures for safety and emergency matters.
4. Maintenance of Lots: In the event the owner of any residential lot, improved or un-improved, permits any underbrush growth, weeds, or whatever, to grow upon any lot to a height of eighteen inches (18”), and on written request by the POA the property owner fails to have the

premises mowed or cut within thirty (30) days, the POA may enter upon said property, with the owner's written permission, to have it mowed or cut at the expense of the property owner, provided such expense does not exceed Two Hundred Fifty (\$250.00) Dollars per incident.

5. For Sale and Realtor Signs: No "For Sale" signs, either commercial or by owner should exceed four (4) square feet in size. All "For Sale" signs must be placed only on the property owner's lot, and not on any common area or within any utility easements, roadway, ditch, or embankment. Under no circumstances are Realtor signs to be placed at any entrance to Ski Mountain, and the POA reserves the right to remove any such sign immediately. A maximum of two (2) "For Sale" signs per property owner's lot will be allowed. If more than two (2) signs are posted, the POA reserves the right to remove any such sign immediately. It shall be the responsibility of each property owner to advise their Realtor that "for sale" signs may be placed on the property owners lot only, with a maximum of two (2) signs.

ARTICLE IX

Amendments to By-Laws

These By-Laws may be amended in whole or in part, by an affirmative vote of two-thirds (2/3) of the members of the Area who are present or who vote by proxy at an annual or special meeting of the Area at which a quorum is present, the notice of which meeting shall have included a verbatim statement of the amendment or amendments to be voted on at such meeting.

ARTICLE X

Distribution Upon Dissolution

In the event of the dissolution of the Ski Mountain Property Owners' Association, Area I, any and all funds held in the Area Treasury shall be transferred to and become the property of Ski Mountain Property Owners' Association, Inc. No such funds shall inure to the benefit of any member of Area I.