

**BYLAWS  
OF  
REESE RIDGE SUBDIVISION HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I.  
BUSINESS ADDRESS**

The business address of REESE RIDGE SUBDIVISION HOMEOWNERS ASSOCIATION, INC. (the "Association") shall be 216 US-70 West, Garner, NC 27529. The business address may be changed by the Board of Directors of the Association, or, upon approval of the membership, for any reason.

**ARTICLE II.  
MEMBERSHIP IN THE ASSOCIATION**

Every person or entity who is a record owner of a fee or undivided fee simple or undivided interest in any of the Lots in any phase of Reese Ridge Subdivision ("the Subdivision"), located in Johnston County, North Carolina, shall be a member of the Association, provided, however, that any such person or entity who holds such title or interest merely as security for the performance of an obligation shall not be a member of the Association. Membership shall be appurtenant to and may not be separated from such ownership.

**ARTICLE III.  
PURPOSES OF THE ASSOCIATION**

The purposes and duties of the Association shall be:

- A. To manage the Subdivision pursuant to the terms and provisions of the North Carolina General Statutes, these Bylaws, any Rules and Regulations promulgated by the Association or its Board of Directors and the Declaration of Protective Covenants for Reese Ridge Subdivision recorded at Book 5321, Page 114, Book 5559, Page 78, and Book 5715, Page 338 in the Johnston County Registry ("the Declaration"), as the same may be amended from time to time, concerning the property described in the Declaration, Johnston County Registry, and such additional lands as may be added to the Subdivision 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 Lots of the Subdivision ("the Lots").

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 IV.** **ASSESSMENTS**

The Association shall make and collect assessments, including special assessment, against the Lots as stated in the Declaration and as provided in the North Carolina General Statutes.

#### **ARTICLE V.** **MEETINGS OF MEMBERS**

**Section 1. Place of Meetings.** All meetings of members shall be held at such place as shall be designated on the notice of the meeting or agreed upon by a majority of the members entitled to vote thereat. The Board may decide whether to hold a meeting solely by remote communication, solely in person, or a hybrid of the two.

**Section 2. Annual Meetings.** The annual meeting of the members shall be held during the month of December each year on any day (except a legal holiday) as determined by the Board of Directors, for the following purposes:

1. to ratify or reject the summary of the proposed budget submitted by the Board of Directors pursuant to Article VI below;
2. to elect the Board of Directors of the Association (subject to the provisions of Section 8 of the Declaration) for the coming fiscal year; and
3. 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 Subdivision.

**Section 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 4 of this Article V. A meeting so called shall be designated and treated for all purposes as the annual meeting.

**Section 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 not less than twenty percent (20%) of the members.

**Section 5. Notice of Meetings.** Written notice of the meeting shall be delivered not less than ten (10) nor more than fifty (50) days before the date of any members' meeting, either personally, by mail, electronic email, by or at the direction of the Management Company, 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/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 Johnston County Tax Collector to determine the addresses of the owner(s) of a Lot. The notice of meeting must state the time and place of the meeting and all items on the agenda for the meeting.

The Board may decide whether to hold a meeting solely by remote communication, solely in person, or a hybrid of the two. Remote meeting notices will include sufficient information on how members can join electronically. If there is a website or password, those details and other pertinent instructions will appear on the notice.

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 6. Voting Rights.** On matters of the Association's business submitted to vote of the membership, there shall be one (1) vote per Lot, regardless of the number of owners of a Lot. If more than one vote per lot is submitted, the vote(s) for that Lot will be rejected. The requirement of a quorum for submitting any matter to a vote at any Annual Meeting, Substitute Annual Meeting, or Special Meeting, properly called and convened pursuant to these Bylaws, shall be pursuant to Article VI, section 6.6 (f) of the Covenants. Except as otherwise provided by the Declaration, the North Carolina General Statutes, or these Bylaws, all matters submitted to a vote at any meeting held in accordance with these Bylaws. Votes may be counted that are received before the close of the meeting either by in-person voting, mail-in ballots, or by electronic means.

**Section 7. Voting by Proxy.** Votes may be cast either as described in Article V, Section 6 or by one or more agents authorized by a dated, written proxy executed by the member or his/her attorney-in-fact. A proxy terminates one year after its date, unless it specifies a shorter term. All proxies shall be in writing and filed with the Secretary. All proxies may be mailed or emailed to the Secretary and/or the Management Company. Any form of proxy which is sufficient in 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 Lot \_\_\_\_, on all matters submitted to vote at that meeting of REESE RIDGE SUBDIVISION HOMEOWNERS ASSOCIATION, INC., to be held on \_\_\_\_\_, \_\_\_\_\_. The undersigned hereby ratify and confirm all such votes cast on behalf of said Lot 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 Lot.

This the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

**Section 8. Voting List.** At least ten (10) 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 can 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. Members may request a voting list at any time.

**Section 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 VI.** **BOARD OF DIRECTORS**

**Section 1. Purpose, Number and Term of Office.** The business and affairs of the Association shall be managed by a Board of Directors of five (5) individuals, who shall be entitled to act on behalf of the Association. The Board of Directors shall

initially consist of the initial members of the Board of Directors as named in the Organizational Minutes of the Association. Subsequently, the Board of Directors shall be appointed by the Declarant until such time as Declarant has sold all of its property in the subdivision. At the first meeting of the membership of the Association following the termination of the period of Declarant control of the Association, the members of the Board of Directors shall be elected by the membership of the Association and those persons who receive the highest number of votes at a meeting at which a quorum is present 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 Directors elected by the membership of the Association must be Lot owners. As long as Declarant owns at least one Lot in the Subdivision, Declarant can appoint the members of the Board of Directors unilaterally.

**Section 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 Subdivision, 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 sixty (60) 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 Lots, shall be mailed to the membership not more than fourteen (14) nor less than thirty (30) days after the adoption of the proposed budget. The proposed budget shall be deemed ratified unless at the meeting more than fifty percent (50%) of the Lots existing at that time vote 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.
- C. The Board may fine any Lot owner an amount in accordance with the North Carolina Planned Community Act, Chapter 47F, for any single

violation of the Declaration, these Bylaws or any Rules and Regulations promulgated by the Board. In such event, the Board shall provide the Lot owner fined an opportunity to be heard before an Adjudicatory Panel to be appointed by the Board pursuant to Article X below. Multiple fines may be assessed against any Lot owner for multiple violations. Any such fines shall be deemed assessments against the Lot of such owner, and shall be collectable as provided in the Declaration.

- D. 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.
- E. The Board has the power to regulate the common areas of the Association.
- F. The Board may act as the Architectural Review Committee (“ARC”) or may appoint three (3) members to serve on the ARC. All decisions made by the ARC can be appealed within thirty (30) days to the Board.
- D. The Board may act as the Adjudicatory Panel, as detailed in Article X of these ByLaws.

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 Lot(s) to voluntary arbitration pursuant to any arbitration program then in effect in the General Court of Justice of Johnston County, North Carolina.

**Section 3. Removal of Directors.** Any director may be removed at any time with or without cause by a vote of at least sixty-seven percent (67%) of all persons present and entitled to vote at any meeting of the membership of the Association at which a quorum is present. However, directors who are appointed by the Declarant may only be removed by the Declarant.

**Section 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 or until a successor is appointed by the Declarant if such vacancy is the result of the death, disability, resignation or removal of an initial director or a director who was appointed by the Declarant.

**ARTICLE VII.**  
**MEETINGS OF THE BOARD OF DIRECTORS**

**Section 1. Called Meetings.** Meetings of the Board of Directors may be called by or at the request of the President or any two directors.

**Section 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 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 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 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 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. 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 VIII**  
**OFFICERS**

**Section 1. Designation.** The officers of the Association shall consist of a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the membership may from time to time elect. The offices of Secretary and Treasurer may be held by the same person; otherwise, no two offices may be held by the same person. The officers of the Association shall determine, amongst themselves, which

position each officer will hold. During an election period, the officers of the Association may determine, amongst themselves, which position each officer will hold. Three officers of the Association shall make up the Architectural Review Committee, those members to be determined amongst the officers themselves.

**Section 2. Election and Term.** The initial officers of the Association shall be elected by the initial members of the Board of Directors of the Association. Subsequently, the officers of the Association shall be appointed by the Board of Directors. Members of the Board shall be eligible for appointment to serve as officers of the Association. After the passage of these Bylaws, the first election for Members of the Board will consist of three having a one-year term and two having a two-year term. Thereafter, the Members of the Board shall be elected with one having a one-year term, and two having a two-year term. Below is the election cycle:

Year 1 – Elect 5 New Members  
Three New One-Year Term  
Two New Two-Year Term

Year 2 and Beyond – Elect 3 New Members  
Two Carry Over  
One New One-Year Term  
Two New Two-Year Term

Each officer shall hold office until his/her death, disability, resignation or removal, or until the expiration of his/her term and the appointment of his/her successor. As long as Declarant owns any property in the Subdivision, Declarant can elect the officers unilaterally.

**Section 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 approved by the membership of the Association.

**Section 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 5. Secretary.** The Secretary shall: (a) record the votes and (b) keep minutes of the meetings of members of the Board of Directors and of all Executive Committees in one or more books, or by electronic means; (c) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (d) keep appropriate current records showing the members of the Association together with their addresses; (e) be authorized to certify and oversee the recordation of amendments to the Declaration on behalf of the Association; (f) keep a register of the post office address of each member which shall be furnished to the Secretary by such member, and shall perform such other duties as may be required by the Board.

**Section 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 4 of Article IX of these Bylaws; (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.

## **ARTICLE IX.** **CONTRACTS, LOANS, CHECKS, AND DEPOSITS**

**Section 1. Contracts.** The Board of Directors may authorize any two officers, 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 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 at least two officers of the Board of Directors. Such authority may be general or confined to specific instances.

**Section 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 **and** the Treasurer of the Association.

**Section 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 X** **ADJUDICATORY PANEL**

**Section 1. Appointment of Adjudicatory Panel.** The Board of Directors shall, not less than annually, appoint an Adjudicatory Panel of three (3) individuals, all of whom shall be residents of the Subdivision. Members of the Board shall be eligible to serve as members of the Adjudicatory Panel. Members of the Panel shall be appointed to one-year terms, and each member shall sit until his/her death, disability, resignation or removal, or until the expiration of his/her term and the appointment of his/her successor.

**Section 2. Hearings.** In the event that a fine is assessed against a Lot owner by the Board of Directors pursuant to Subsection 2(C) Article VI above, the Adjudicatory Panel shall provide to the Lot owner so fined notice of the violation and an opportunity to be heard regarding the alleged violation and the assessed fine. If within ten (10) days of receipt of the notice the Lot owner requests in writing a hearing, the Adjudicatory Panel shall hear the matter within twenty (20) days of the date of the written request. Two (2) members of the Panel shall constitute a quorum for the purpose of conducting a hearing. Following such a hearing, the Adjudicatory Panel shall confirm, deny or modify the fine imposed by the Board and shall notify the Lot owner of its decision. The decision of the Panel with regard to the fine shall be final.

## **ARTICLE XI** **INDEMNIFICATION**

Any person who at any time serves or has served as an officer, member of the Board of Directors and/or member of the Adjudicatory Panel of the Association 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 bylaw. 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 bylaw serves or has served as an officer, member of the Board of Directors and/or member of the Adjudicatory Panel of the Association 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 bylaw.

## **ARTICLE XII.** **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. However, in no event shall the residual assets of the Association be distributed in a fashion that terminates the Association's exempt status under Section 528 of the Internal Revenue Code of 1986 or any corresponding sections or provisions of any future United States Internal Revenue law.

## **ARTICLE XIII.** **SECTION 528 STATUS**

The Association shall elect and shall be managed in such fashion as to maintain tax-exempt status under Section 528 of the Internal Revenue Code of 1986. The Association shall not carry on any activities prohibited by an Association electing tax-exempt status under Section 528, or any corresponding sections or provisions of any future United States Internal Revenue law.

## **ARTICLE XIV.** **GENERAL PROVISIONS**

**Section 1. Fiscal Year.** The fiscal year of the Association shall be January 1 through December 31.

**Section 2. Amendments.** After Declarant has sold their last Lot in the Subdivision, the members of the Association may amend these Bylaws, repeal these Bylaws and/or adopt new Bylaws by the vote of at least sixty-seven percent (67%) of all existing Lots at any meeting of the membership of the Association properly held and conducted pursuant to Article V above. As long as Declarant owns at least one Lot in the Subdivision, Declarant can amend these Bylaws unilaterally.

**Section 3. 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 4. References to Statutes.** All references herein to any statutory provision shall be construed to include and apply to any subsequent amendments to or replacements of such provisions.

The foregoing instrument, is hereby approved, accepted and adopted by the undersigned as the Bylaws of REESE RIDGE SUBDIVISION HOMEOWNERS ASSOCIATION, INC. In witness whereof, the initial members of the Board of Directors of the Association have set their hands and seals, effective the 15 day of NOVEMBER, 20 23.

REESE RIDGE SUBDIVISION HOMEOWNERS  
ASSOCIATION, INC.

A North Carolina Non-Profit Corporation

Robin James (SEAL)  
Reese Ridge HOA, President

State of NORTH CAROLINA, County of JOHNSTON

I, CHRISTOPHER GAMBINO, a Notary Public of the County and State aforesaid, certify that ROBIN JAMES personally came before me this day and acknowledged that he/she is President of REESE RIDGE SUBDIVISION HOMEOWNERS ASSOCIATION, INC., a North Carolina Nonprofit corporation, and that ROBIN JAMES personally came before me this day and acknowledged that he/she is Secretary of REESE RIDGE SUBDIVISION HOMEOWNERS ASSOCIATION, INC., and that by authority duly given and as the act of the corporation, the foregoing instrument was signed by its said President and Secretary.

Witness my hand and official stamp or seal, this 15 day of NOVEMBER,

20 23



Christopher  
Notary Public  
My Commission expires: 01/26/2025