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AMENDED AND RESTATED BYLAWS

WINDSWEPT RIDGE GOLF VILLAS  
PROPERTY OWNERS ASSOCIATION, INC.

ADOPTED OCTOBER 8, 2011

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BYLAWS OF WINDSWEPT RIDGE GOLF  
VILLAS PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I.

NAME, MEMBERSHIP, APPLICABILITY AND DEFINITIONS

- 1.1 NAME. The name of the Association shall be Windswept Ridge Golf Villas Property Owners Association, Inc. (hereinafter sometimes referred to as the “Association”).
- 1.2 MEMBERSHIP. All Unit Owners, as that term is defined in the Declaration of Windswept Ridge Golf Villas, shall be members of the Association and the terms of the above referenced Declaration which pertain to membership are specifically incorporated herein by reference.
- 1.3 DEFINITIONS. The words used in these Bylaws shall have the same meanings as set forth in said Declaration, unless the context shall prohibit.

ARTICLE II.

ASSOCIATION: MEETINGS. QUORUM. VOTING. PROXIES.

- 2.1 PLACE OF MEETINGS. Meetings of the Association shall be held at The Currituck Club, or at such other place as may be designated by the Board and that is convenient to the members either in Windswept Ridge Golf Villas or as convenient thereto as possible and practical.
- 2.2 ANNUAL MEETING. An annual meeting of the Unit Owners shall be held on the same weekend as the annual meeting of The Currituck Club Property Owners Association, or on another date as determined by the Board of Directors, for the purpose of electing members of the Board and for the transaction of such other business as may be properly brought before the meeting.
- 2.3 SUBSTITUTE ANNUAL MEETINGS. If the annual meeting shall not be held on the day designated by the Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 2.4 hereof. A meeting so called shall be designated and treated for all purposes as the annual meeting.

2.4 SPECIAL MEETINGS. Special meetings of the Unit Owners may be called at any time by the Board or the Chairman, or upon the written request of at least twenty percent (20%) of the Voting Members (as such term is defined in Section 2.7).

2.5 NOTICE OF MEETINGS. Written or printed notice stating the place, day and hour of any meeting shall be delivered or mailed not less than ten (10) days nor more than fifty (50) days prior to the date thereof, either personally, by postage prepaid mail, or by electronic means to the last known electronic address of a Unit Owner (as provided in Section 2.12 hereof), at the direction of the Board, the Chairman or Voting Members calling the meeting, to each person entitled to vote at such meeting, and to all Eligible Mortgage Holders so requesting under the provisions of Section 13.9 of the Declaration, who may request a representative to attend the meeting of Unit Owners. The Secretary shall include a form of proxy with the notice of the meeting. The notice of any meeting must state the time and place of the meeting and 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 Board members.

When a meeting is adjourned for less than thirty (30) 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 effective.

2.6 QUORUM. A quorum is deemed present at any meeting of the Unit Owners if Voting Members entitled to cast twenty percent (20%) or more of the total votes for the election of the Board are present in person or by proxy at the beginning of the meeting. If there is no quorum at the beginning of the meeting of Unit Owners, such meeting may be adjourned from time to time by the vote of a majority of the Voting Members present, either in person or by proxy; and at any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting.

The Voting Members at a meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Members to leave less than a quorum.

2.7 VOTING RIGHTS. There shall be one person (the "Voting Member") with respect to each Unit who shall be entitled to cast a vote on behalf of the Owner or Owners of such Unit, either in person or by proxy at a meeting of the Unit Owners, or pursuant to written action taken without a meeting. The Voting Member may be the Owner, or one of a group composed of all of the Owners of a Unit, or may be some other person designated by such Owner(s) to act as proxy on his or their behalf, and who need not be an Owner. Each Owner or group of Owners shall be entitled to one (1) vote for each Unit owned, *provided* that a Unit Owner shall not be deemed to be a "Voting Member" during any

period when such Unit Owner's right to vote has been suspended by the Board pursuant to Section 3.8(s) of these Bylaws.

- 2.8 MAJORITY VOTE. The vote of a majority of the Voting Members present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes, except where a higher percentage vote is required by the Declaration, by these Bylaws or by law.
- 2.9 PROXIES. The Voting Member representing a Unit may vote either in person or by an agent duly authorized by written proxy executed by the Owner(s) of such Unit or his or their duly authorized attorney-in-fact. If a Unit is owned by more than one person, each co-owner of the Unit may vote or register protest to the casting of votes by the other co-owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given pursuant to this section except by written notice of revocation delivered to the person presiding over a meeting of the Association. A proxy is void if it is not dated, and any proxy terminates one year after its date, unless it specifies a shorter term. An appointment of a proxy is effective when received by the secretary or duly acting secretary of the Association. An appointment is valid for 11 months unless a different period is expressly provided in the appointment form. Unless a proxy otherwise provides, any proxy holder may appoint in writing a substitute to act in his place. An appointment of a proxy in the form of an electronic record that bears the electronic signature of the Owner(s) and that may be directly reproduced in paper form by an automated process shall be deemed a valid appointment form within the meaning of this section.
- 2.10 WAIVER OF NOTICE. Any Voting Member may, at any time, waive notice of any meeting of the Association in writing, and such waiver shall be deemed to be equivalent to the giving of such notice. A Voting Member's attendance at any meeting of the Association (a) waives objection to lack of notice or defective notice of the meeting, unless he states prior to or at the beginning of the meeting that his attendance is solely for the express purpose of objecting to the holding of the meeting or the conduct of business at the meeting, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless he objects to considering the matter before it is voted upon. If all of the Voting Members are present at any meeting of the Unit Owners, no notice shall be required, and any business may be transacted at said meeting.
- 2.11 INFORMAL ACTION BY UNIT OWNERS. Any action which may be taken at a meeting of the Association may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Voting Members (or communicated in electronic form) and filed with the secretary of the Association to be kept in the Association's minute book.

- 2.12 ACTION BY WRITTEN BALLOT. (a) Without regard to the requirements of Section 2.11, any action that may be taken at any annual, regular, or special meeting of the Unit Owners may be taken without a meeting if the Association delivers a written ballot to every Voting Member entitled to vote on the matter. Any requirement that any vote of the Voting Members be made by written ballot may be satisfied by a ballot submitted by electronic transmission, including electronic mail, provided that such electronic transmission shall either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the Voting Member or his proxy.
- (b) A written ballot shall:
- (1) Set forth each proposed action; and
  - (2) Provide an opportunity to vote for or against each proposed action.
- (c) Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the same total number of votes were cast.
- (d) All solicitations for votes by written ballot shall indicate the time by which a ballot shall be received by the corporation in order to be counted.
- (e) A written ballot shall not be revoked.
- 2.13 ELECTRONIC NOTICES. The Association may provide notices by electronic means, and Unit Owners furnishing their e-mail addresses to the Association or its agents shall be deemed to have agreed to accept notice electronically, *provided* that a Unit Owner may terminate any such agreement at any time on a prospective basis effective upon written notice to the Association or upon such later date as may be specified in the notice.

### ARTICLE III.

#### EXECUTIVE BOARD

3.1 NUMBER. The business and property of the Association shall be managed and directed by the Executive Board (the "Board"), composed of not less than three (3) nor more than five (5) persons. The size of the Board immediately following the October 2011 Annual Meeting shall be five (5) members, and from time to time thereafter said number may be changed upon the affirmative vote of a majority of all the directors then in office, *provided* that no director may be removed as a result of a decrease in the size of the Board, unless the term of that director has already expired.

- 3.2 ELECTION. Except as provided herein, the directors shall be elected at the annual meeting of the Association, and those persons who receive a plurality of the votes cast shall be deemed to have been elected.
- 3.3 TERM AND QUALIFICATION. Each director elected at an annual meeting shall serve for a three (3) year term, commencing upon the date of such election. Each director shall hold office for the term for which he was elected, or until his death, resignation, retirement, removal or disqualification, or until his successor is elected and qualified. At all annual elections, one director shall be elected by the Voting Members to replace each director whose term then expires. The term of a director elected by the Board to replace a director shall expire at the end of the unexpired term that such new director is filling. The term of a director filling a newly-created directorship shall be three (3) years from the date of his election, *provided* that if such director is not initially elected at an annual meeting, the term of said director shall not end until three (3) years after the date of the annual meeting next following such initial election. Nothing herein contained shall be construed to prevent the election of a director to succeed himself. Spouses cannot serve on the Board at the same time. Each director shall be one of the Unit Owners or co-owners, or a spouse of a Unit Owner or co-owner, *provided* that, in the event a Unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then an officer or director of such corporation, partner of such partnership, beneficiary of such trust or manager of such other legal entity, shall be eligible to serve as a director.
- 3.4 REMOVAL. Directors may be removed from office with or without cause by the affirmative vote of at least a majority of all the Voting Members. If any directors are so removed, their replacements may be elected at the same meeting.
- 3.5 VACANCIES. A vacancy occurring in the Board (including a vacancy due to an increase in the size of the Board) may be filled:
- (a) By the Voting Members entitled to vote for directors;
  - (b) By the board of directors; or
  - (c) If the directors remaining in the office constitute fewer than a quorum of the board, by the affirmative vote of a majority of all the directors, or by the sole director, remaining in office.
- 3.6 COMPENSATION. The Board Members shall receive no compensation for their services unless expressly allowed by the Board at the direction of at least two-thirds (2/3) of all of the Voting Members.
- 3.7 EXECUTIVE AND STANDING COMMITTEES. The Board may, by resolution adopted by a majority of the number of directors fixed by these Bylaws, designate two or more of its members to constitute an executive committee, which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board in the

management of the Association, *provided* that said committee shall not have the authority to (a) elect, appoint or remove directors, or fill vacancies on the Board or any of its committees, or (b) adopt, amend or repeal the Articles of Incorporation or these Bylaws.

The following permanent standing committees shall be established and maintained: The Standing Committees of the Association shall be: The Nominating Committee, the Maintenance Committee and the Landscaping Committee.

Each committee shall consist of a Chairman and at least one other member. A member of the Board shall be a member of each standing committee unless the Board determines otherwise on a case by case basis. The Board shall ask for volunteers to serve from the Membership at each annual meeting. It is the Board's responsibility to appoint committee members and the Board shall endeavor to maintain each committee at full membership. Generally, a committee member shall serve one year from the time of appointment.

The Nominating Committee. The Nominating Committee shall be chaired by the Chairman. The Nominating Committee shall work with the membership to encourage Owners to volunteer to serve on the Board. The Nominating Committee shall endeavor to encourage Unit Owners with the expertise required by the Board to volunteer to be nominated. The Nominating Committee shall insure there are sufficient candidates nominated to fill vacancies on the Board. The Nominating Committee shall meet on the call of the Chairman or any of its members.

The Maintenance Committee. The Maintenance Committee shall consist of a Chairman and two members. The committee shall insure all Windswept Ridge buildings and facilities (with the exception of maintenance of the grounds which shall be the responsibility of the Landscaping Committee) are properly maintained. The committee shall insure the Annual Painting Plan is updated and funding requirements established and submitted to the Board. The committee shall supervise any capital maintenance projects, including the development of estimates needed to support a Special Assessment requirement. The Maintenance Committee shall meet on the call of the Chairman or any of its members.

The Landscaping Committee. The Landscaping Committee shall consist of a Chairman and two members. The committee shall insure the grounds of Windswept Ridge are properly maintained. The committee shall develop an annual master calendar and keep it current. In consultation with any maintenance support agency under contract to the Association, the committee shall supervise landscaping contractors. The committee shall identify landscaping improvement projects, including the development of estimates and make recommendations to the Board. The Landscaping Committee shall meet at the call of the Chairman or any of its members.

Duties of the Committees. Each committee shall receive and respond to suggestions and complaints from Unit Owners on all matters within each committee's area of responsibility. The Board shall be advised of each action. Each committee shall prepare an annual report of its activities and provide it to the Secretary of the Board for inclusion in each Annual Meeting notice. Those duties not executed by the committees are the responsibility of the Board.

The Board may, in like manner, create such other committees as it deems necessary and appropriate in aiding the Board to carry out its duties and responsibilities with respect to the management of the Association.

3.8 POWERS AND DUTIES. The Board shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things, except such acts as by law, the Declaration or these Bylaws may not be delegated to the Board. Such powers and duties of the Board shall include, but shall not be limited to, the following:

- (a) Determining the Common Expenses required for the affairs of the Association, including, without limitation the operation and maintenance of the Property.
- (b) Collecting the Common Expenses from the Unit Owners.
- (c) Supervising the operation, care, upkeep and maintenance of the Common Elements.
- (d) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.
- (e) Adopting and amending such reasonable rules and regulations as may deem advisable for the maintenance, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the owners and occupants of the Property. Written notice of such rules and regulations shall be given to all Unit Owners and occupants, and the entire Property shall at all times be maintained subject to such rules and regulations.
- (f) Opening bank accounts on behalf of the Association and designating the signatories required therefor.
- (g) Selling, mortgaging, voting the votes appurtenant to or otherwise dealing with Units acquired by the Association, or its designee, corporate or otherwise, on behalf of all Unit Owners, subject to the Declaration and other applicable law, and organizing corporations or other legal entities to act as designees of the Board in acquiring title to Units on behalf of all Unit Owners.

- (h) Maintaining and repairing any Unit, if such maintenance or repair is necessary in the discretion of the Board or by operation of applicable restrictions to protect the Common Elements, or any other portion of the Property, and a Unit Owner has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered or mailed by the Board to said unit Owner; *provided* that the Board shall levy a specific Assessment against such Unit Owner for the costs of said maintenance or repair, including a reasonable amount of supervision.
- (i) Entering any Unit when necessary in connection with any maintenance or construction for which the Board is responsible; *provided* that except in the event of emergencies, such entry shall be made during reasonable hours with as little inconvenience to the Unit Owner as practical, and any damage caused thereby shall be repaired by the Board, with such expenses being treated as Common Expense. The Board shall maintain a full inventory of entry keys to the Units. All Unit Owners are required to provide the Board with those keys. The Board will insure the keys to the Units are safeguarded and inventoried regularly. The Board may have the keys maintained by a third party. If a Unit Owner does not provide entry keys, the Board may authorize a locksmith to gain entry and charge the Unit Owner accordingly.
- (j) Authorizing the execution and delivery of all agreements, contracts, deeds and vouchers for the payment of expenditures and other instruments in such manner as from time to time shall be determined by resolution of the Board.
- (k) Obtaining insurance for the Property, including the Units, pursuant to the applicable provisions of the Declaration or any law.
- (l) Making or contracting for repairs, additions and improvements to or alterations or restoration of the Property in accordance with the other provisions of these Bylaws, the Declaration and applicable law, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceeding.
- (m) Contracting for all goods, services and insurance payment for which is to be made from the Common Expense fund.
- (n) Instituting, defending or intervening in litigation or administrative proceedings in the name of or on behalf of the Association or two or more Unit Owners on matters affecting the Association.
- (o) Borrowing money on behalf of the Association when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in

Association owned property; *provided* that the approval of at least two-thirds (2/3) of the Voting Members present in person or by proxy at a meeting at which a quorum shall be present shall be required for the borrowing of any sum that would result in an outstanding indebtedness of the Association in excess of \$10,000.00.

- (p) Imposing charges for late payment of Assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declaration, the Bylaws or rules and regulations established by the Association, all in accordance with Sections 3-102(11), 3-107 and 3-107.1 of the Act.
- (q) At its discretion, authorizing Voting Members or other persons to use portions of the Common Elements for private parties and gatherings and imposing reasonable charges for such private use.
- (r) Exercising (i) all powers specifically set forth in the Declaration, the Articles of Incorporation, these Bylaws, the Act and other applicable law, (ii) all powers incidental thereto, and (iii) all other powers of a non-profit North Carolina corporation.
- (s) Suspending the right of any Unit Owner to vote and suspending certain privileges of Unit Owners, including the right to use certain amenities, including but not limited to the pool and tennis court, as long as said Unit Owner is delinquent in the payment of Common Expenses or is otherwise in violation of the Declaration, the Bylaws or the Association's rules and regulations, *provided* that such suspension shall be subject to the procedures set forth in Section 3-107.1 of the Act, to the extent applicable.

3.9 MANAGING AGENT. The Board may engage the services of any person, firm or corporation to act as managing agent at a compensation established by the Board, to perform such duties and services as the Board shall authorize, other than the powers set for in subdivisions (a), (e), (f), (g), (h), (l), (n), (p), (q), (r) and (s) of Section 3.8 of these Bylaws. Any management agreement for the Association shall be terminable by either party thereto without cause and without payment of a termination fee or penalty upon not more than thirty (30) days' written notice thereof and shall not exceed a term of three (3) years, renewable by agreement of the parties for successive one year periods. Any management agreement shall be terminable by either party for cause upon the giving of not more than thirty (30) days' written notice.

#### ARTICLE IV.

## MEETINGS OF DIRECTORS

- 4.1 REGULAR MEETING. A regular meeting of the Board shall be held immediately after, and at the same place as, the annual meeting or substitute annual meeting of the Unit Owners. In addition, the Board may provide by resolution the time and place, either within or without the State of North Carolina, for the holding of a regular meeting of the Board, with such meeting to be held as decided by the Board during each fiscal year. The Board shall meet at least quarterly, but monthly if possible.
- 4.2 SPECIAL MEETINGS. Special meetings of the Board may be called by or with the request of the Chairman, or by any two (2) directors. Such meetings may be held either within or without the State of North Carolina.
- 4.3 NOTICE OF MEETINGS. Regular meetings of the Board may be held without notice. The person(s) who called a special meeting of the directors shall, at least two (2) days prior to said meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

Meetings of the Board shall be open to all Voting Members and notices of meetings shall be posted conspicuously for the attention of Unit Owners in advance of the meeting, except for regular meetings of the Board, which may be held without notice.

At regular intervals, the Board shall provide Voting Members an opportunity to attend a portion of a Board meeting and to speak to the Board about their issues and concerns. The Board may place reasonable restrictions on the number of persons who speak on each side of an issue and may place reasonable time restrictions on persons who speak.

- 4.4 WAIVER OF NOTICE. Any member of the Board may at any time waive notice of any meeting of the Board in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall constitute a waiver of notice of such meeting except where a member attends the meeting and states prior to or at the commencement of the meeting that his attendance is solely for the express purpose of objecting to the transaction of business because the meeting was not lawfully called. If all of the directors are present at any meeting of the Board, no notice shall be required, and any business may be transacted at such meeting.
- 4.5 QUORUM. A majority of the number of directors fixed by or in accordance with these Bylaws shall be required for and constitute a quorum for the transaction of business at any meeting of the Board.
- 4.6 MANNER OF ACTING. Except as otherwise provided in this Section, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act

of the Board. A vote of a majority of the number of directors fixed by these Bylaws shall be required to adopt a resolution constituting an executive committee. Vacancies in the Board may be filled as provided in Section 3.5.

- 4.7 ORGANIZATION. Each meeting of the Board shall be presided over by the Chairman, and in the absence of the Chairman, by a person selected to preside by vote of the majority of the Board members present. The Secretary, or in his absence, an assistant secretary, or in the absence of both the Secretary and the assistant secretary, any person designated by the chairman of the meeting shall act as secretary of the meeting.
- 4.8 INFORMAL ACTION OF THE BOARD. Action taken by a majority of the directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all of the directors (or communicated in electronic form) and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.
- 4.9 MINUTES. The Board shall keep minutes of its proceedings, which shall be available for inspection by the Unit Owners during reasonable business hours.
- 4.10 LIABILITY OF THE BOARD AND OFFICERS.
- (a) The directors and the officers shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith.
  - (b) The Association shall defend, indemnify and hold harmless, to the full extent permitted by law, each of the directors and the officers against all liability arising out of their conduct on behalf of the Association, if the individual:
    - (1) Conducted himself in good faith;
    - (2) Reasonably believed (i) in the case of conduct in his official capacity with the Association, that his conduct was in its best interests; and (ii) in all other cases, that his conduct was at least not opposed to its best interests; and
    - (3) In the case of any criminal proceeding, had no reasonable cause to believe his conduct was unlawful.
  - (c) In any threatened, pending, or completed action, suit, or proceeding (referred to herein as a “proceeding”) in which a director or officer is entitled to indemnification hereunder, the Association shall pay such director’s or officer’s reasonable defense expenses in advance of the final disposition of such proceeding, upon receipt by the Association of an undertaking by or on behalf of such director or officer to repay such amount unless it shall ultimately be determined that such director or officer is entitled to be indemnified by the Association against such expenses.

- (d) The Association shall defend, indemnify and hold harmless, to the full extent permitted by law, each of the directors and the officers against all contractual liability to others arising out of contracts made by the Board or the officers on behalf of the Association, subject to the provisions of subsection (b) above. It is intended that the directors or any officer shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent that they are Unit Owners and have liability as such. It is also intended that the liability of a Unit Owner arising out of any contract made by the Board or the officers, or out of the aforesaid indemnity in favor of the directors or the officers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board, by the managing agent or by the officers on behalf of the Association shall provide that the members of the Board, the managing agent or the officers, as the case may be, are acting only as agents for the Unit Owners, and shall have no personal liability thereunder.
- (e) A director or officer shall not be entitled to indemnification or advancement of expenses in connection with (1) any proceeding by or in the right of the Association in which such person was adjudged liable to the Association, or (2) any other proceeding charging improper personal benefit to such person, whether or not involving action in his official capacity, in which such person was adjudged liable on the basis that personal benefit was improperly received by such person.

## ARTICLE V.

### OFFICERS

- 5.1 NUMBER. The principal officers of the Association shall consist of a Chairman of the Board, a secretary, a treasurer, and such vice chairmen, assistant secretaries, assistant treasurers and other officers as the Board may from time to time elect. Any two or more offices may be held by the same person, except the offices of the Chairman and secretary.
- 5.2 ELECTION AND TERM. The officers of the Association shall be elected by the Board. The Chairman, Vice Chairman, secretary and treasurer shall be elected from among the Board and any other officer needs only to be a Unit Owner. The election of officers may be held at the regular annual meeting of the Board.

Each officer shall hold office for a period of one (1) year or until his death, resignation, retirement, removal, disqualification, or until his successor is elected and qualifies.

- 5.3 REMOVAL. Any officer or agent elected or appointed by the Board may be removed by the Board, with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

- 5.4 COMPENSATION. No officer shall receive any compensation from the Association for acting as such.
- 5.5 CHAIRMAN OF THE BOARD. The Chairman of the Board shall be the principal executive officer of the Association; and, subject to the control of the Board, shall supervise and control the management of the Association. The Chairman shall, when present preside at all meetings of the Board and of the Unit Owners and, in general, shall perform all duties incident to the office of the Chairman of the Board, and such other duties as may be prescribed from time to time by the Board.
- 5.6 VICE CHAIRMAN. The vice Chairman, and if there be more than one, the vice chairmen, designated by the Board, shall, in the absence or disability of the Chairman, have the powers and perform the duties of said office. In addition, each vice Chairman shall perform such other duties and have such other powers as shall be prescribed by the Chairman of the Board.
- 5.7 SECRETARY. The secretary shall keep accurate records of the acts and proceedings of all meetings of the Unit Owners and directors. He shall give, or cause to be given, all notice required by law and by these Bylaws. He shall have general charge of the minute books and records of both the Association and the Board. He shall sign such instruments as may require his signature, and in general, shall perform all duties incident to the office of secretary, and such other duties as may be assigned him from time to time by the Chairman of the Board or by the Board.
- 5.8 TREASURER. The treasurer shall have custody of all Association funds and securities, and shall receive, deposit or disburse the same under the direction of the Board. He shall keep full and accurate accounts of the finances of the Association in books especially provided for that purpose. He shall cause a true statement of its assets and liabilities as of the close of each fiscal year, and of the results of its operations and changes in surplus for each fiscal year, all in reasonable detail, to be prepared and distributed to all Unit Owners and members of the Board on or before the 15<sup>th</sup> day of the second month following the close of each fiscal year. The statement so filed shall be kept available for inspection by any Unit Owner for a period of three (3) years. The treasurer shall also prepare and file all reports and returns required by federal, state or local law, and shall generally perform all other duties as may be assigned to him from time to time by the Chairman of the Board.
- 5.9 ASSISTANT SECRETARIES AND TREASURERS. The assistant secretaries and assistant treasurers, if any, shall in the absence of the secretary and treasurer, respectively, have all of the powers and perform all of the duties of those officers, and they shall in general perform such other duties as shall be assigned to them by the secretary or the treasurer, respectively, or by the Chairman of the Board or the Board.

## ARTICLE VI.

### OPERATION OF THE PROPERTY

- 6.1 ASSESSMENT AND DETERMINATION OF COMMON EXPENSES. The Board shall from time to time, and at least annually, prepare a budget for the Association, for the purpose of determining the amount of the Annual Assessments to be collected from the Unit Owners in order to provide for the Common Expenses of the Association, and allocate and assess such Common Expenses amount to the Unit Owners, according to their Percentage of Interest in the Common Elements as set forth in the Declaration, taking into consideration any expected income and any surplus from the prior year's operation. The Common Expenses shall include, without limitation, the expenses, costs and charges incurred in connection with the administration, operation and management of the Association property; the cost of maintenance, repair, replacement and restoration of the Common Elements, or any part thereof; the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board; such amounts as the Board may deem proper for the convenience, comfort and well-being of the Unit Owners, and for the operation, management and maintenance of the Property, including, without limitation, an amount for working capital of the Association, for a general operation reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year; in proper cases, the cost of administration and of maintenance and repair of the Limited Common Elements; and any other expenses lawfully agreed upon.

In establishing a reserve fund for replacements, the Board shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall then set the required capital contribution in an amount sufficient to permit meeting the projected capital needs of the Association with respect to both amount and timing by equal annual installments over the applicable period.

Within thirty (30) days after adoption by the Board of any proposed budget for the Association, the Board shall provide a summary of the budget to all Unit Owners and shall give notice of a date for a meeting of the Unit Owners to consider ratification of the budget not less than ten (10) nor more than fifty (50) days after the mailing of the summary and notice. This action shall normally take place at the annual meeting of the Association. A quorum need not be present at the meeting. The budget is ratified unless

at the meeting a majority of all of the Voting Members votes to reject the budget. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Voting Members ratify a subsequent budget proposed by the Board.

- 6.2 PAYMENT OF ASSESSMENTS. All Unit Owners shall be obligated to pay (1) Annual Assessments of Common Expenses assessed by the Board pursuant to the provisions of this Article VI, (2) Special Assessments to be established and collected as provided herein, and (3) specific Assessments against any Unit which are established pursuant to the terms of these Bylaws. Annual Assessments shall be due and payable in monthly installments on the first day of every month. Any installment not paid when due shall be subject to the late payment charge and shall accrue interest as provided in Section 6.5, and shall constitute a lien on the Unit as provided in Section 6.6.

No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of the Declaration and applicable restrictions of record) of such Unit, together with his interest in the Common Elements. A purchaser of a Unit shall be jointly and severally liable with the seller for the payment of Assessments assessed against such Unit prior to the acquisition by the purchaser of such Unit only if the purchaser expressly assumes such obligation in writing; provided however, the lien assessed against such unit shall remain in full force and effect. Any such purchaser shall be entitled to a statement from the Board setting forth the amount of the unpaid Assessments against the seller, and the Unit conveyed shall not be subject to a lien for any unpaid Assessments in excess of the amount shown on the statement. Provided, however, that a First Mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit or a First Mortgagee who takes a deed in lieu of foreclosure shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Expenses assessed prior to the foreclosure sale or deed in lieu of foreclosure. Such unpaid Common Expenses shall be deemed to be Common Expenses collectible from all of the Unit Owners, including such purchaser, his successors or assigns.

- 6.3 SPECIAL ASSESSMENTS. The Association may levy Special Assessments for Common Expenses not covered by the Annual Assessment applicable to that year, for any purpose, including but not limited to the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements, including fixtures and personal property related thereto, *provided* that any Special Assessment shall have the assent of at least a majority of all the Voting Members. Such Special Assessments shall be allocated equally to the Units. In addition, the Board may levy Special Assessments against one or more, but less than all, of the Units to cover repairs or maintenance for which the Owner or Owners of such Units are responsible and which they have failed to make, or for repairs or maintenance required of a Unit Owner or Unit Owners which impair the value of the Common

Elements or the Unit or Units, or expenses which are incurred in the abatement of or as a result of a violation by a Unit Owner or Owners of the provisions of the Declaration, the Bylaws or the rules and regulations, or for fines levied for said violations, or where the Board has purchased a Unit on behalf of one or more Unit Owners. The period of assessment and manner of payment of such Assessment shall be determined by the Board.

- 6.4 COLLECTION OF ASSESSMENTS. The Board shall determine Common Expenses against the Unit Owners from time to time, at least annually, and may, as the Board shall determine, take prompt action to collect any Assessments due from any Unit Owner which remain unpaid for more than thirty (30) days from their due date. Assessments are not subject to credit or setoff for any reason without prior written approval of the Board.

The Board shall notify Eligible Mortgage Holders pursuant to the provisions of the Declaration for which any amount assessed pursuant to these Bylaws remains unpaid for more than sixty (60) days from their due date, and in any other case where the Unit Owner of such Unit is in default with respect to the performance of any obligation hereunder for a period in excess of sixty (60) days.

- 6.5 DEFAULT IN PAYMENT OF ASSESSMENT. In the event of default by any Unit Owner in paying to the Board any amounts assessed by the Board that are not paid for a period of thirty (30) days or longer, such Unit Owner shall be obligated to pay a late payment charge of fifteen (\$15.00) dollars, or such other rate as established by the Board from time to time (but not exceeding the greater of twenty dollars (\$20.00) per month or ten percent (10%) of any unpaid Assessment installment), and interest on such amounts from their due date at the rate of two percent (2%) above the prime rate of interest charged from time to time by Bank of America, but at a maximum not exceeding eighteen percent (18%) per annum; together with all expenses, including reasonable attorneys' fees (if permitted by law), incurred by the Association in collecting such unpaid sums. If a Unit Owner shall be in default in payment of an installment of an Assessment, including but not limited to the monthly installment based on the annual budget, the Board may accelerate the remaining installments upon ten (10) days' written notice to such Unit Owner, whereupon the entire unpaid balance of such Assessment shall become due and payable upon the date stated in such notice.

- 6.6 LIEN AND PERSONAL OBLIGATION. Each Assessment provided for in this Article, together with late payment charges, interest and expenses, including reasonable attorneys' fees (as permitted by law), shall be a charge on and a continuing lien upon the Unit against which the Assessment is made when a notice of such lien has been filed of record in the Office of the Clerk of Superior Court of Currituck County, North Carolina, in the manner provided by Article 8, Chapter 44 of the North Carolina General Statutes, *provided* (a) such notice of lien shall not be recorded until such sums assessed remain

unpaid for a period of thirty (30) days after the same shall become due and (b) the Association shall notify the Unit Owner of the deficiency and otherwise comply with the applicable provisions of Section 3-116 of the Act. Said notice of lien shall also secure all Assessments against the Unit becoming due thereafter until the lien has been satisfied. Said lien may be foreclosed in the manner as a mortgage on real estate under power of sale under Article 2A of Chapter 45 of the North Carolina General Statutes. In addition, each Unit Owner shall be personally liable for any Assessment against his Unit becoming due and payable while he is the Owner of such Unit.

- 6.7 PRIORITY OF ASSESSMENT LIEN. The lien of the Assessments provided for in this Article shall be prior and superior to all other liens and encumbrances, except as specified in Section 3-116 of the Act and under other applicable law. The sale or transfer of any Unit shall not affect the Assessment lien against such Unit, except as specified in Section 3-116 of the Act and under other applicable law.
- 6.8 FORECLOSURE OF LIENS FOR UNPAID ASSESSMENTS. Following the institution of any action by the Board to foreclose on a Unit because of unpaid Assessments, the Unit Owner shall pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the rental. The Board, acting on behalf of the Association, on behalf of any one or more individual Unit Owners, if so instructed, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same, subject, however to applicable restrictions of record. A suit to recover a money judgment for unpaid Assessments shall be maintainable without foreclosing or waiver of the Assessment lien. Where a First Mortgagee or the purchaser of a Unit obtains title to the Unit as a result of foreclosure of the First Mortgage, such purchaser, its successors and assigns, shall not be liable for the share of the Common Expenses or Assessments by the Board chargeable to such Unit which become due prior to the acquisition of title to such Unit by such purchaser. Such unpaid share of Common Expenses or Assessments shall be deemed to be a Common Expense collectible from all Unit Owners, including such purchaser, its successors and assigns.
- 6.9 STATEMENT OF COMMON EXPENSES. The Board shall promptly provide any Unit Owner so requesting the same in writing with a written statement of all unpaid charges due from such Unit Owner, for which it may institute a reasonable charge at its discretion.
- 6.10 ABATEMENT AND ENJOINMENT OF VIOLATIONS BY UNIT OWNERS. The violation of any rule or regulation adopted by the Board or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board, acting in good faith, the right, in addition to any other rights set forth in the Act, the Declaration and these Bylaws: (a) to enter the Unit in which, or as to which, such violation or breach exists, and

to make any repairs, and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition which may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; (b) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach at the expense of the defaulting Unit Owner; (c) in any case of flagrant or repeated violation by a Unit Owner, to require such Unit Owner to give sufficient sureties for his future compliance with such governing documents of the Association; or (d) after notice and an opportunity to be heard, to levy reasonable assessments and fines in accordance with Sections 3-107 and 3-107.1 of the Act for such violations. The failure of the Board to so act with respect to any such violation or breach shall not be deemed a waiver of the Board's right to act with respect to the same or any other violation or breach.

6.11 MAINTENANCE AND REPAIR.

Each Unit Owner shall at all times maintain in good and clean condition, and repair and replace, at his sole cost and expense, all portions of his Unit, including the portions of the heating and air conditioning system within and appurtenant for the Unit which are located within the perimeter walls of the Unit and the portions thereof which are located in the Common Elements wherever located. Each Unit Owner shall also at all times maintain in good and clean condition the Limited Common Elements appurtenant to his Unit and replace all light bulbs in fixtures (if any) located in such Limited Common Elements. Each Unit Owner shall be responsible for replacing all heating and air conditioning filters, if any, required in his Unit. Each Unit Owner shall further be responsible for all damages to any and all other Units and/or to the Common Elements which his failure to undertake his maintenance responsibility may engender. A Unit Owner shall be responsible for the costs incurred by the Association or by other Unit Owners to repair and replace all portions of the Common Elements or other Units that may be damaged by the Unit Owner or his Occupants, subject to the provisions of the Declaration, including Article VII thereof.

6.12 RESTRICTIONS ON UNIT OWNERS. No Unit Owner shall perform or cause to be performed any maintenance, repair or replacement work which unreasonably disturbs the rights of the other Unit Owners, or jeopardizes the soundness or safety of the Property, or reduces the value thereof. Each Unit Owner shall cause any work so performed or being performed on the Unit, which, in the sole opinion of the Board, violates the terms of this Section, to be immediately corrected, and he shall refrain from recommencing or continuing any such work without written consent of the Board.

6.13 DUTY TO REPORT. Each Unit Owner shall promptly report to the Board or its agents any defect or need for repairs or replacement, the responsibility for which is that of the Association.

- 6.14 ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE ASSOCIATION. Whenever in the judgment of the Board the Common Elements shall require additions, alterations or improvements, the Board shall proceed with such additions, alterations or improvements, and shall assess all Unit Owners for the cost thereof, as a Common Expense, subject, however to the provisions of Sections 6.1, 6.2 and 6.3 of this Article.
- 6.15 ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY THE UNIT OWNER. No Unit Owner shall make any addition, alteration or improvement in or to his Unit, which impairs the structural integrity or mechanical systems or lessens the support of any part of the Association. No Unit Owner shall make any addition, alteration or improvement which affects the exterior portion or outward appearance of such Unit, without the prior written consent thereof of the Board. The Board shall have the obligation to answer any written request by a Unit Owner for approval of a proposed addition, alteration or improvement in or to such Unit Owner's Unit within thirty (30) days after such a request, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed addition, alteration or improvement.
- 6.16 USE OF COMMON ELEMENTS AND FACILITIES. A Unit Owner shall not interfere with the use of the Common Elements by other Unit Owners and their Occupants.
- 6.17 RIGHT OF ACCESS. A Unit Owner shall grant a right of access to his Unit to the managing agent and/or any other person authorized by the Board or the managing agent, for the purposes and under the conditions set forth in Section 7.5 of the Declaration.
- 6.18 RULES OF CONDUCT. Rules and regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board. Such rules and regulations shall be equally applicable to all Unit Owners similarly situated and shall be uniform in their application and effect. Copies of such rules and regulations shall be furnished by the Board to each Unit Owner prior to their effective date.
- 6.19 REMEDIES CUMULATIVE. All rights, remedies and privileges granted to the Association or the Owner or Owners of a Unit pursuant to any terms, provisions, covenants or conditions of the Declaration or other above mentioned documents, shall be cumulative, and the exercise of any one or more shall not constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.
- 6.20 NON-WAIVER OF REMEDIES.
- (a) The failure of the Association or any Unit Owner to enforce any right, provision, covenant or condition that may be granted by the Declaration or the other above-mentioned documents shall not constitute a waiver of the right of the Association

or of the Unit Owner to enforce such rights, provisions, covenants or conditions in the future.

- (b) The failure of a First Mortgagee to enforce any rights, provisions, privileges, covenants or conditions may be granted to it or them by the Declaration or other above mentioned documents, shall not constitute a waiver of the rights of said party or parties to thereafter enforce such rights, privileges, covenants or conditions in the future.

## ARTICLE VII.

### RECORDS AND AUDITS

- 7.1 REPORTS. The Board shall keep detailed records of the actions of the Board and the managing agent(s), minutes of the meetings of the Board, minutes of the meetings of the Association, and financing records and books of account of the Association, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit, which, among other things shall contain the amount of each Assessment against each Unit, the date when due, the amounts paid and the balance remaining unpaid. All financial and other records, including minutes, shall be made reasonably available for examination by any Unit Owner and any First Mortgagee and their respective authorized agents as required by these Bylaws and by Chapter 55A of the North Carolina General Statutes, including Article 16 thereof. A written annual income and expense statement and balance sheet of the Association shall be rendered by the Board to all Unit Owners on or before the 15<sup>th</sup> day of the second month following the close of each fiscal year. In addition, said annual report shall be rendered by the Board to all Eligible Mortgage Holders who have requested the same in writing.
- 7.2 COMMON EXPENSE FUNDS. All sums collected by the Association, either as Assessments for the Common Expenses or Special Assessments may be commingled in a single fund, but they shall be held for the Owners for the purposes for which they are paid, and shall, subject to the right of withdrawal or refund provided herein, be credited to accounts from which shall be paid the charges for which the Assessments are made. Such accounts shall include the following or such other and further accounts as the Board from time to time shall determine:
  - (a) General Common Expense Account – to which shall be credited collection of that portion of the Common Expense Assessments received for defraying the costs or operating the Association on a day-to-day basis, including normal maintenance and repairs, insurance and related charges.

- (b) Capital Reserve Account – to which shall be credited, all sums collected which are to be allocated for capital expenditures for the reconstruction, repair and replacement of Common Elements at a future date.

All amounts credited to said Capital Reserve Account shall be contributions to capital and shall be held in trust by the Association for future expenditures of a capital nature, and shall serve to reduce the Assessments required for said capital expenditures. Individual Unit Owners shall not be entitled to a return of dues upon sale of a Unit.

- 7.3 AUDITS. All books of account and financial records shall be kept in accordance with generally accepted accounting practices. The Board may have a review of the books of account and financial records of the Association made by an independent accountant immediately following the close of each fiscal year and any such report of such accountant shall be received by the Board and made available for inspection upon request by all Unit Owners and all Eligible Mortgage Holders on or before the 15<sup>th</sup> day of the third month following the close of each fiscal year.

## ARTICLE VIII.

### AMENDMENTS TO BYLAWS

- 8.1 NOTICE. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered, together with a copy or a summary of the proposed amendment.
- 8.2 ADOPTION. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board or by not less than one-third (1/3) of the Voting Members of the Association. Directors and members of the Association not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be by at least a majority of the Voting Members present in person or by proxy at a meeting duly called for this purpose at which a quorum shall be present. Any such amendments that materially change certain provisions of these Bylaws, as specified in Section 13.7 of the Declaration, shall also be subject to the approval of at least sixty-seven percent (67%) of the Unit Owners and of Eligible Mortgage Holders representing at least fifty-one percent (51%) of the votes allocated to Units subject to First Mortgages.

- 8.3 LIMITATION. No amendment shall be made that is in conflict with the Act, the Articles of Incorporation of the Association or the Declaration without satisfaction of the requirements therein contained.

## ARTICLE IX

### CONDEMNATION

- 9.1 GENERAL. Whenever all or any part of the Property shall be taken by any authority having the power of condemnation or eminent domain, each Unit Owner and all Eligible Mortgage Holders shall be entitled to notice thereof and to participate in the proceedings incident thereto unless otherwise prohibited by law. The award made for such taking shall be payable to the Association. Unless otherwise provided by law at the time of such taking, any award made therefor shall be disbursed by the Association as provided in this Article IX.
- 9.2 COMMON ELEMENTS. If the taking is confined to the Common Elements (general or limited) on which improvements shall have been constructed, and at least eighty (80%) percent of the Unit Owners shall vote within sixty (60) days after such taking to replace the improvements, or any part thereof, on the remaining land included in the Common Elements (general or limited) and according to the plans therefor first approved by the Association, then the Board shall arrange for such replacement and the Association shall disburse the proceeds of such award in the same manner as they are required to disburse insurance proceeds where damage or destruction to the Common Elements (general or limited) is to be repaired or reconstructed as provided for herein; subject, however to the right hereby reserved to the Association by a majority vote of the Unit Owners, to provide for the disbursement by the Association of the remaining proceeds held by it (after the payment of all costs incident to such replacement) to the Unit Owners or any one of more of them or to their First Mortgagees as their interest may appear in amounts disproportionate to the percentages of undivided interest in the Common Elements (general or limited) established herein, which disproportionate amounts shall correspond with the disproportionate damage sustained by the Unit Owners or any one or more of them as the Association may determine. If at least eighty (80%) percent of the Unit Owners shall not decide within sixty (60) days after such taking to replace said improvements or if the taking is confined to the Common Elements (general or limited) on which no improvements shall have been constructed, then the Association shall disburse the proceeds of the award in the manner herein above provided for the disbursement of the remaining proceeds of an award after payment of all costs incident to the replacement or improvements taken has been made, including the right reserved to the Association to provide for the disbursement of the remaining proceeds held by it to the

Unit Owners in disproportionate amounts. All disbursements made under this Section 9.2 shall be in strict compliance with Section 1-107 of the Act.

- 9.3 UNITS. If the taking includes one or more Units, or any part or parts thereof, whether or not there is included in the taking any part of the Common Elements (limited or general), then the award shall be disbursed and all related matters shall be handled pursuant to and in accordance with the consent of all Unit Owners and First Mortgagees affected and the Executive Board of the Association thereafter, expressed in a duly recorded Amendment to the Declaration of Condominium, all in accordance with Section 1-107 of the Act.
- 9.4 TERMINATION. The Board shall call a meeting of all Unit Owners at least forty-five (45) days prior to any final taking by the condemning authority to determine the action to be taken pursuant to Sections 9.2 and 9.3 above. Except in the event of a taking of all the Units by eminent domain, in the event the condemnation involves more than ten (10%) percent of the value of the Common Elements (limited or general) and/or more than fifteen (15%) percent of the total value of all Units, the Condominium may be terminated at such meeting by written approval of not less than eighty (80%) percent of the Unit Owners. Any termination agreement shall be in compliance with 2-118 of the Act.

## ARTICLE X.

### MISCELLANEOUS

- 10.1 AD VALOREM TAXES. Each Unit shall be deemed to be a separate parcel and shall be separately assessed and taxed. Each Unit Owner shall be liable solely for the amount of tax assessed against his Unit and shall not be affected by the consequences resulting from the tax delinquency of other Unit Owners. All tangible personal property owned by the Association in connection with the maintenance, upkeep and repair of the Common Elements shall be listed for said taxes in the name of and paid by the Association. Each Unit Owner is also responsible for his pro rata share of taxes assessed on his portion of the Common Elements, if any.
- 10.2 NOTIFICATION TO MORTGAGEES. Any Owner who mortgages his Unit shall notify the Association of the name and address of the Mortgagee and the Association shall maintain such information in a book entitled "Mortgagees of Condominiums". In addition, to any other notification provided for in the Declaration of these Bylaws the Association may, at the written request of a Mortgagee of any such Unit, report any unpaid Assessments due for the Owner of such Unit. The Association shall notify each Mortgagee appearing in

said book of the name of each company insuring the Property under the master policy and the amounts of the coverage thereunder.

- 10.3 SEVERABILITY. Invalidation of any covenant, condition, restriction or other provision of the Declaration by these Bylaws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.
- 10.4 SUCCESSORS BOUND. The rights, privileges, duties and responsibilities set forth in the Declaration and these Bylaws, as amended from time to time, shall run with the ownership of the Property and shall be binding upon all persons who own or hereafter acquire any interest in the Property.
- 10.5 GENDER, SINGULAR, PLURAL. Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning and the use of any gender shall be deemed to include all genders.
- 10.6 PRINCIPAL OFFICE – REGISTERED OFFICE. The principal office and registered office of the Association shall be located at 6365 N. Croatan Highway, Kitty Hawk, NC 27949, and may be changed from time to time as directed by the Board.
- 10.7 OTHER OFFICES. The Association may have other offices at such other places within North Carolina as the Board may, from time to time determine, or as the affairs of the Association may require.
- 10.8 SEAL. The seal of the Association shall contain the name of the Association, the word “Seal”, the year of incorporation and such other words and figures as is desired by the Board of Directors. When obtained, the seal shall be impressed in the margin of this Section of the Bylaws.
- 10.9 FISCAL YEAR. The fiscal year of the Association shall be the calendar year.

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CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of Windswept Ridge Golf Villas Property Owners Association, Inc., a North Carolina corporation, and

THAT the foregoing Bylaws constitute the Amended Bylaws of said Association, as duly adopted at a meeting of the initial Executive Board thereof held on the 1<sup>st</sup> day of August, 1997, and as duly amended and restated at the Owners’ Annual Meeting on October 8, 2011.

IN WITNESS WHEREOF, I have hereunto subscribed my name

this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_, Secretary

**(End of Document)**

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