

**Bylaws
of
The Woodlands at Crow Creek Owners Association, Inc.**

Article I - General

These are the Bylaws of The Woodlands at Crow Creek Owners Association, Inc., a nonprofit corporation organized under the laws of the State of North Carolina (the "Association"). The Association is a condominium unit owners' association under the North Carolina Condominium Act, as set forth in Chapter 47C of the General Statutes, and is organized as a nonprofit corporation under the North Carolina Nonprofit Corporation Act, as set forth in Chapter 55A of the General Statutes. The principal office of the corporation shall be located at 240 Hickman Road NW, Calabash, Brunswick County, North Carolina 28467.

Article II - Definitions

Unless otherwise defined herein, the definitions set forth in Section 47C-1-103 of the General Statutes of North Carolina shall apply to terms used in these Bylaws. The following terms, as used in these Bylaws, shall have the following meanings:

(a) Articles of Incorporation shall mean and refer to the Articles of Incorporation of the Association, as filed in the office of the Secretary of State of North Carolina on May 12, 2003, as the same may be amended from time to time.

(b) "Common Elements" shall mean and comprise all of the real estate within the Condominium other than the Units, and all personal property held and maintained by the Association for the use or benefit of the Owners of Units.

(c) "Condominium" shall mean and refer to the real estate, including land and improvements, now or hereafter made subject to the Declaration in accordance with the provisions thereof.

(d) "Declarant" shall mean and refer to Bostic Development at Crow Creek, LLC, a North Carolina limited liability company, and its successors and assigns as provided in the Declaration.

(e) "Declaration" shall mean and refer to the Declaration of Condominium recorded in Book 1753, Page 618, in the Brunswick County Registry, as the same may be amended from time to time.

(f) "Owner" shall mean the person or persons that own a Unit, but does not include a person having an interest in a Unit solely as security for an obligation. This term is intended to have the same meaning as "Unit Owner," as defined in Section 47C-1-103 of the General Statutes of North Carolina.

(g) "Unit" shall mean and comprise a separately identified Unit as defined in the Declaration and designated on the Condominium Plan referred to therein.

Article III - Membership and Voting

Section 3.1 Membership and Voting Rights. As provided in the Articles of Incorporation and in the Declaration, every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from an Owner's Unit. The Members of the Association shall be entitled to vote on matters for which such a vote is required by the North Carolina Condominium Act, the North Carolina Nonprofit Corporation Act, the Articles of Incorporation, the Declaration or these Bylaws. The Owner of each Unit shall have one vote on all matters subject to a vote by the Members of the Association, and the total number of votes that may be cast by the Members of the Association with respect to a matter shall be equal to the total number of Units in the Condominium at the time of the vote.

Section 3.2 Co-owners. If a Unit is owned by two or more co-owners and only one of the co-owners is present at a meeting of the Owners, the co-owner who is present is entitled to cast the vote allocated to that Unit. If more than one of the co-owners is present, the vote allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple co-owners. Majority agreement is conclusively presumed if any one of the co-owners casts the vote allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other co-owners of the Unit.

Section 3.3 Proxies. The vote allocated to a Unit may be cast pursuant to a proxy duly executed by the Owner. If a property is owned by two or more co-owners, each co-owner may vote or register protest to the casting of such vote by the other co-owners of the Unit through a duly executed proxy. An Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated. A proxy terminates one year after its date, unless it specifies a shorter term, and in any event a proxy shall automatically terminate upon conveyance of such Unit.

Article IV - Meetings of Owners

Section 4.1 Annual Meetings. An annual meeting of the Owners shall be held at such time and place as the Executive Board may determine. The purpose of the annual meeting shall be to review the annual budget of the Association and for such other purposes as specified in these Bylaws or as may be determined by the Executive Board.

Section 4.2 Special Meetings. Special meetings of the Owners may be called at any time by the President or by the Executive Board, or upon written request of Owners having twenty percent (20%) of the votes entitled to be cast.

Section 4.3 Location of Meetings. Meetings of Owners shall be held at such places within Brunswick County, North Carolina, as shall be designated by the Executive Board.

Section 4.4 Notice of Meetings. Written notice of each meeting of the Owners shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by

mailing a copy of such notice, postage prepaid, not less than ten (10) nor more than fifty (50) days before such meeting to each Owner, addressed to the Owner's address last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Waiver by an Owner in writing of the notice required herein, signed before or after such meeting, shall be equivalent to the giving of such notice.

Section 4.5 Quorum. The presence at the meeting of Owners entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of all the Owners shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Owners entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. The joinder of an Owner in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purposes of determining a quorum.

Article V - Executive Board

Section 5.1 Number. The affairs of the Association shall be managed under the direction of an Executive Board consisting of not less than three (3) nor more than five (5) natural persons (members of the Executive Board are sometimes referred to herein as "Executive Board members" or as "directors"). The number of directors on the Executive Board may be fixed or changed from time to time, within the minimum and maximum specified above, by the Executive Board. The initial Executive Board shall consist of three (3) persons as designated in the Articles of Incorporation. Members of the Executive Board need not be Owners.

Section 5.2 Term of Office. Directors shall hold office for a period of one (1) year or until their successors are appointed or elected.

Section 5.3 Removal. Any director, other than those appointed by the Declarant, may be removed from the Executive Board, with or without cause, by a majority vote of the Owners.

Section 5.4 Compensation. No director shall receive compensation for any service rendered to the Association. However, any director may be reimbursed for actual and reasonable expenses incurred in the performance of such director's duties.

Section 5.5 Action Without Meeting. The directors shall have the right to take any action in the absence of a meeting that they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the Executive Board.

Article VI - Appointment and Election of Executive Board

Section 6.1 Declarant's Right to Appoint Executive Board. As provided in the Articles of Incorporation of the Association and in the Declaration, Declarant shall have the right to appoint the officers and members of the Executive Board of the Association until the first to

occur of: (i) one hundred twenty (120) days after Declarant conveys seventy-five percent (75%) of the Units (including Units that may be created pursuant to the development rights reserved in the Declaration) to Owners other than Declarant; (ii) two (2) years after Declarant has ceased to offer Units for sale in the ordinary course of business; or (iii) two (2) years after Declarant's last exercise of its right under the Declaration to add additional Units to the Condominium. Declarant shall have the right to remove and replace any person appointed by Declarant to serve as an officer or member of the Executive Board. Any person appointed by Declarant as an officer or member of the Executive Board need not be an Owner of a Unit or a resident of the Condominium. Any member of the Executive Board appointed by Declarant shall not be required to disqualify himself or herself from any vote upon any contract or matter between Declarant and the Association in which Declarant may have a pecuniary or other interest. Notwithstanding the forgoing, not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units (including Units which may be created pursuant to the development rights reserved in the Declaration) to Owners other than Declarant, at least one member of the Executive Board (but not less than 25% of the members of the Executive Board) shall be elected by Owners other than Declarant, and not later than sixty (60) days after conveyance of fifty percent (50%) of the Units (including Units which may be created pursuant to the development rights reserved in the Declaration) to Owners other than Declarant, not less than thirty-three percent (33%) of the members of the Executive Board shall be elected by Owners other than Declarant.

Section 6.2 Appointment of Directors by Declarant. Directors appointed by Declarant shall not be required to be Owners. Declarant shall appoint directors in the following manner:

(a) The initial directors shall be as designated in the Articles of Incorporation. Declarant may appoint additional directors from time to time by written instrument delivered to any officer of Association or presented at any annual meeting of the Owners. The individuals so appointed by Declarant shall be deemed and considered for all purposes directors of the Association until their successors shall have been appointed or elected in accordance with the provisions of these Bylaws.

(b) Declarant shall have the absolute right at any time, in its sole discretion, to remove and replace the initial directors and any person or persons that it has appointed to the Executive Board. Replacement of any such director shall be made by written instrument specifying the name of each person to be removed and the name, if any, of the person appointed as successor to each person so removed. The removal of any director and appointment of a successor shall be effective immediately upon delivery of such written instrument by Declarant to any officer of the Association.

Section 6.3 Nomination and Election of Directors by Owners. As and when the Owners shall have the right to elect directors, the nomination and election process shall be conducted in the following manner:

(a) A Nominating Committee appointed by the Executive Board shall make nominations. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a chairman, who shall be a member of the Executive Board, and two (2) or more Owners. The Nominating Committee shall make as many

nominations for election to the Executive Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled; provided that a majority of the directors nominated and elected by the Owners must be Owners.

(b) Election of directors by the Owners shall be by written ballot. The nominee(s) receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 6.4 Vacancies. Any vacancy in the position of a director that Declarant appointed, or has the right to appoint, shall be filled by Declarant by written instrument delivered to any officer of the Association appointing a successor. Otherwise, any vacancy on the Executive Board may be filled until the date of the next annual meeting by the affirmative vote of a majority of the directors, or by the sole director remaining in office.

Article VII - Meetings of Executive Board

Section 7.1 Regular Meetings. Regular meetings of the Executive Board shall be held at such time and place and with such notice as shall be determined by a majority of the directors.

Section 7.2 Special Meetings. Special meetings of the Executive Board shall be held when called by the President of the Association, or by any two directors, with not less than three (3) days notice to each director.

Section 7.3 Location of Meetings. Meetings of the Executive Board shall be held at such places within Brunswick County, North Carolina, as shall be designated by the Executive Board or the officer(s) calling the meeting.

Section 7.4 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Executive Board. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purpose of determining a quorum.

Section 7.5 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

Article VIII - Powers and Duties of the Executive Board

Section 8.1 Powers; Management Contracts. The Executive Board shall exercise for the Association all powers and authority of the Association not specifically reserved to the Owners by law or by other provisions of the Articles of Incorporation, these Bylaws or the Declaration. The Executive Board may authorize the Association to employ or contract for the services of a manager and delegate to such manager any or all of the powers and duties of the Association, except those required by law or by other provisions of the Articles of Incorporation, these Bylaws or the Declaration to have specific approval of the Executive Board or the Owners; provided that any such management contract shall not exceed a term of one (1) year from its effective date (but may be renewable by agreement of the parties for successive one year

periods) and shall be subject to termination by the Association, without cause, upon not more than ninety (90) days written notice.

Section 8.2 Duties. It shall be the duty of the Executive Board to:

- (a) cause to be kept a record of all meetings and actions of the Executive Board;
- (b) supervise all officers and agents of the Association, and to see that their duties are properly performed;
- (c) adopt an annual budget for the Association;
- (d) as more fully provided in the Declaration, fix the amount of the annual assessment against each Unit, cause written notice of each assessment to be sent to each Owner subject thereto at least thirty (30) days in advance of the due date, and take such steps as it shall deem appropriate to foreclose the lien against any property for which assessments are not paid or bring an action at law against the Owner personally obligated to pay the same;
- (e) upon demand by any Owner and payment of a reasonable charge, cause an officer to issue a certificate stating whether any assessment remains unpaid;
- (f) cause the Association to maintain appropriate insurance as provided for in the Declaration;
- (g) cause all officers or employees having fiscal responsibilities to be bonded, as provided for in the Declaration; and
- (h) cause the Common Elements to be maintained as set forth in the Declaration.

Article IX - Officers and Their Duties

Section 9.1 Principal Officers. The principal officers of the Association shall be a President and a Vice President, each of whom shall at all times be members of the Executive Board, a Secretary and a Treasurer, who need not be members of the Executive Board.

Section 9.2 Appointment. The Executive Board shall appoint the principal officers of the Association. Such appointment shall take place annually at the first meeting of the Executive Board following each annual meeting of the Owners.

Section 9.3 Term. The principal officers of the Association shall hold office for one (1) year, unless they shall sooner resign or be removed, or until their successors are appointed. An individual may be reappointed for successive terms.

Section 9.4 Duties. The duties of the principal officers are as follows:

(a) President. The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Executive Board, and see that orders and resolutions of the Executive Board are carried out.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of the absence, inability or refusal to act of the President, and shall exercise and discharge such other duties as may be required by the Executive Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Executive Board and of the Owners, cause notice of meetings of the Owners to be sent to all Owners, and perform such other duties as required by the Executive Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association, disburse such funds as directed by the Executive Board, and keep proper books of account for the Association. The Treasurer shall prepare or cause to be prepared a statement of income and expenditures to be presented to the Owners at the annual meeting.

Section 9.5 Special Appointments. The Executive Board may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Executive Board may from time to time determine.

Section 9.6 Resignation and Removal. The Executive Board may remove any officer from office with or without cause. Any officer may resign at any time by giving written notice to the Executive Board, the President or Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9.7 Vacancies. A vacancy in any office may be filled by appointment by the Executive Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

Section 9.8 Amendments to Master Declaration. Any Amendment to the Master Declaration approved by the Owners in accordance with the provisions of the Master Declaration shall be executed by the President or Vice President, certified by the Secretary or an Assistant Secretary, and recorded in the Brunswick County Registry.

Article X - Committees

The Executive Board shall appoint a Nominating Committee, as provided in these Bylaws. The Executive Board may appoint other committees, as it deems appropriate in order to carry out its duties and the functions of the Association.

Article XI – Financial Matters

Section 11.1 Annual Budget. The Association shall have an annual budget. Unless otherwise determined by the Executive Board, the budget for the next year shall be presented at the annual meeting of the Owners. Within 30 days after adoption of a proposed budget, the Executive Board shall provide to all Owners a summary of the budget and a notice of the meeting to consider ratification of the budget, including a statement that the budget may be ratified without a quorum. The Executive Board shall set a date for a meeting of the Owners to

consider ratification of the budget, such meeting to be held not less than fourteen (14) nor more than thirty (30) days after mailing of the summary and notice. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all the Owners rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Executive Board.

Section 11.2 Assessments; Interest and Late Charges. As more fully provided in the Declaration, each Owner is obligated to pay assessments to the Association. Each assessment is secured by a continuing lien upon the Unit against which the assessment is made. Any assessments that are not paid when due shall be delinquent. If the assessment is not paid by the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen percent (18%) per annum. The Association may also impose charges for late payment of assessments in an amount determined by the Executive Board from time to time. The Association may bring an action at law against the Owner personally obligated to pay the assessment, or foreclose the lien against the Owner's Unit. Costs and expenses, including reasonable attorney fees, incurred by the Association in connection with any such action shall be added to the amount due.

Section 11.3 Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the last day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 11.4 Annual Audit. An audit of the accounts of the Association shall be made annually by an independent certified public accountant, and an Owner may obtain a copy thereof upon request and payment of a reasonable copying charge.

Article XII – Fines and Assessments for Damages

The Association shall have power to levy reasonable fines for any violation of the Declaration, these Bylaws or any rule or regulation of the Association. The Association shall also have power to direct any Owner to pay the cost of any damage to the Common Elements for which the Owner is responsible, to the extent that such damage is not covered by insurance maintained by the Association. An Owner charged with a fine, or for damage to the Common Elements, shall have an opportunity for a hearing before the Executive Board or an adjudicatory panel appointed by the Executive Board, provided that the Executive Board may not delegate such responsibility in cases when a claim for damage to the Common Elements exceeds five hundred dollars (\$500.00). The Owner shall be given notice of the charge, an opportunity to be heard and to present evidence, and notice of the decision. A fine not to exceed one hundred fifty dollars (\$150.00), or such greater amount as allowed by law, may be imposed for a violation and, without further hearing, for each day after the decision that the violation occurs or continues. Any fine for a violation, and any liability for damages to the Common Elements, shall be a personal obligation of the Owner shall also be an assessment against the Owner's Unit, as provided in the Declaration.

Article XIII – Books and Records

The financial and other records of the Association shall be made reasonably available for inspection by any Owner or authorized agent of an Owner. An appointment may be required and a reasonable charge may be made for copies. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Owner at the principal office of the Association, where copies may be purchased at reasonable cost.

Article XIV – Amendments

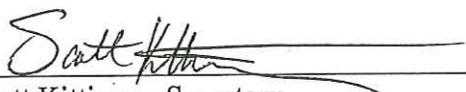
Except as otherwise provided herein or by law, the Executive Board may amend these Bylaws. The directors must be given at least five (5) days written notice of any meeting at which an amendment is to be voted upon. The notice shall state that the purpose, or one of the purposes, of the meeting is to consider a proposed amendment to the Bylaws and contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment. Any amendment must be approved by a majority of the directors in office at the time the amendment is adopted. An amendment changing the range for the size of the Executive Board or changing from a variable range to a fixed size Executive Board must be approved by a majority of the votes entitled to be cast by all the Owners. No amendment to these Bylaws that would abridge, amend or modify any right of Declarant may be adopted or become effective without the prior written consent of Declarant.

Article XV - Conflicts

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Certification

I hereby certify that I am the duly appointed Secretary of The Woodlands at Crow Creek Owners Association, Inc., and that the foregoing Bylaws constitute the original Bylaws of said Association as duly adopted by the Executive Board, effective May 27, 2003.



Scott Kittinger, Secretary

