

**BY LAWS OF
THE VILLAGE AT CALABASH
PROPERTY OWNERS ASSOCIATION INC.**

OWNERS COPY

YOUR NAME: _____

YOUR LOT #: _____

ARTICLE IV

Membership

Section 1- Association Membership. *The Association shall have one class of voting membership. Members shall be all Owners who shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.*

Section 2. Membership Certificate. *Membership in the Association is appurtenant to the deed of conveyance for each lot and there shall be no membership certificate. Transfer of membership shall be automatic with the transfer of any lot and membership shall not be otherwise transferred.*

Section 3 Liquidation of Rights. *In the event of any voluntary dissolution of the Association, each Member of the Association shall be entitled to receive, out of the assets of the Association available for distribution to the Members, an amount equal to that proportion of such assets which the number of eligible votes held by such Member bears to the total number of eligible votes held by all Members.*

ARTICLE V

Meetings

Section 1. Place of Meetings. *Meetings of the Association shall be held at the principal office or place business of the Association or at such other place convenient to the membership as may be designated by the Board of Directors of the Association.*

Section 2. Annual Meeting. *The first regular annual meeting of the Members shall be held within Three Hundred Sixty-Five (365) days following the initial organization meeting and adoption of these Bylaws. Thereafter, the annual meetings of the Members of the Association shall be held in October of each succeeding year. At such meeting there shall be elected by a plurality ballot of the Members a Board of Directors in accordance with the requirements of Section 4 of Article VI of these Bylaws. Members may also transact such other business of the Association as may properly come before them.*

Section 3. Special Meetings. *It shall be the duty of the President to call a special meeting of Members as directed by resolution of the Board of Directors or upon a petition signed by at least one-third (1/3) of the Members and presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at the special meeting except as stated in the notice.*

Section 9. Proxies. *A member may appoint any other Member or a Declarant or the Management Agent as his/her proxy. Any proxy must be in writing and must be filed with the Secretary in form approved by the Board of Directors before the appointed time of each meeting. Unless limited by its terms, any proxy shall continue until revoked by a written notice of revocation filed with the Secretary or by the death of the Member. In no case may a Member cast, in addition to his/her vote, more than one vote as proxy for another Member.*

Section 10. Order of Business. *The order of business at annual meetings of Members shall be as follows:*

- (a) Pledge of Allegiance and a moment of silence for all departed Members.*
- (b) Roll call and certification of proxies.*
- (c) Proof of notice of meeting or waiver of notice.*
- (d) Reading of minutes of preceding meeting.*
- (e) Reports of officers, if any.*
- (f) Reports of committees, if any.*
- (g) Unfinished business.*
- (h) New Business.*
- (i) Appointment of tellers.*
- (j) Election of Directors.*

In the case of special meetings, item (a) through (f) should be applicable and thereafter the agenda shall consist of the items specified in the notice of meeting.

ARTICLE VI

Directors

Section 1. Number of Qualification of Directors. *The affairs of the Association shall be governed by the Board of Directors composed of seven (7) persons all of whom shall be Members of the Association.*

Section 2. Powers and Duties. *The Board of Directors shall have all the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these Bylaws directed to be exercised and done by the Members. The powers and duties of the Board of Directors shall include, but not be limited to:*

- (a) Care, upkeep and maintenance of the Common Areas, drainage areas and Lots in a manner consistent with law and the provisions of these Bylaws and the Declaration.*
- (b) Determination and collection of annual assessments and special assessments from Members. The maintenance of a roster of assessments and charges applicable to each Lot and the collection therefore in a manner consistent with law and the provisions of these Bylaws and the Declaration.*

Section 6. Removal of Directors. *At a regular meeting, or at a special meeting duly called for such purpose (but only after the first regular meeting of Members as herein above provided), any Director may be removed with or without cause by a vote of sixty (60%) of the eligible votes entitled to be cast by Members, whether or not present and voting thereon. A successor may then and there be elected to fill a vacancy by majority vote of Members present and voting thereon in person or by proxy. Any Director whose removal has been proposed by Members shall be given an opportunity to be heard at the meeting. The term of any Director who is a Member and who becomes more than sixty (60) days delinquent in payment of any assessment or charges due the Association shall be automatically terminated and the remaining Directors shall appoint his/her successors as provided in Section 6 of this Article VI.*

Section 7. Compensation. *No compensation shall be paid to Directors for their services as Directors.*

Section 8. Organizational Meeting. *The first meeting of a newly elected Board of Directors shall be held within ten (10) days of such election at a place fixed by the newly elected directors. No notice shall be necessary to the Directors in order legally to constitute such meeting, provided a majority of the whole Board of Directors shall be present.*

Section 9. Regular Meeting. *Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time, by a majority of the Directors, but at least three (3) such meetings shall be held during the fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail to his/her address as it appears on the records of the Association at the time such notice is mailed or personally delivered, at least six (6) days prior to the day named for such meeting.*

Section 9 A. Order of Business.

- (a) Pledge of Allegiance and a moment of silence for all deceased Members.*
- (b) Reading of minutes.*
- (c) Report of officers.*
- (d) Report of committees.*
- (e) Unfinished business.*
- (f) New Business*
- (g) Questions and answers*
- (h) Adjourn*

Section 10. Special Meetings. *Special meetings for the Board of Directors may be called by the President of the Association on three (3) days notice to each Director given personally or by mail or as herein above provided, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be on the written request of at least one-third (1/3) of the Directors.*

Section 4. President. *The President shall be the chief executive officer of the Association. He/she shall preside at all meetings of Members and of the Board of Directors. He/she shall have all of the general powers and duties which are usually vested in the office of President of a corporation, including, but not limited to, the power to appoint special committees from among the membership from time to time as he/she may, in his/her discretion, decide is appropriate to assist in the conduct of the affairs of the Association.*

4 (a) Nominations. *The President is to appoint a Nominating Committee consisting of three (3) Members at the May meeting. No Member of the Nominating Committee can be a Member of the Board of Directors. All nominees must be Members of the Association in good standing to be eligible to serve as a Director. The Nominating Committee is to report at the August meeting. Once the Nominating Committee has delivered their report, they are to be dismissed by the President. Nominations for all Directors positions will be acceptable from the floor at the meeting in August.*

4(b) Tellers. *The President is to appoint two (2) tellers and one (1) alternate teller whose duty it will be on the Saturday prior to the day of the Annual Meeting to: Open, count and report to the Board of Directors the result of the proxies cast for all positions on the Association Board at the Annual meeting. No Member of the Board of Directors may be a teller. The Secretary of the Association will be present and available for validation of proxies, if needed, by the tellers. All proxies will be mailed to the Association in a two (2) envelope system mailing. In order to keep all proxies as closed proxies, a random numerical chart of designated numbering systems of lots will be utilized.*

Section 5. Vice President. *The Vice President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be designated to him/her by the Board of Directors.*

Section 6. Secretary. *The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Members. He/she shall have custody of the seal of the Association and he/she shall have charge of the Membership transfer books and of such other books and papers as the Board of Directors may direct. He/she shall, in general, perform all the duties incident to the office of Secretary.*

Section 7. Treasurer. *The Treasurer shall have responsibility for Association funds and securities and shall be responsible for the keeping of full and accurate accounts of all receipts and disbursements in books belonging to the Association. He/she shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.*

ARTICLE IX

Management and Expenses

Section 1. Management and Common Expenses. *The Association, acting by and through its Board of Directors, shall manage, operate and maintain the Common Areas, and drainage areas for the benefit of the Members and the Association, shall enforce the provisions of these Bylaws and the Restrictive Covenants and pursuant hereto shall have the authority to pay:*

(a) All operating expenses of the Common Areas, and drainage areas including services furnished; and

(b) The cost of necessary management and administration fees paid to any Management Agent; and

(c) Taxes and assessments levied against the Association or upon any property which it may own or which the Association is otherwise required to pay; and

(d) The cost of casualty and liability insurance on the Common Areas, and drainage areas and the cost of such other insurance as the Association may procure; and

(e) The cost of furnishing water, electricity, garbage and trash collection, or other utilities, to the Common Areas; and

(f) The cost of funding all reserves established by the Association, when appropriate, a general operating reserve or a reserve for replacements; and

(g) The cost of repairs, maintenance and replacement of the Common Areas and drainage areas; and

(h) The cost of landscaping and maintenance of landscaping.

Section 2. Management Agent. *The Board of Directors may by resolution delegate any of its ministerial duties, powers, or functions to a Management Agent. The Association and the Board of Directors shall not be liable for any omission or improper exercise by Management Agent of any such duty, power or function so delegated.*

Section 3. Easement and Utilities and Related Purposes. *The Board of Directors is authorized and empowered to grant such licenss, easements, or rights-of-way for sewer lines, water lines, electricial cables, telephone cables, gas lines, storm drains, underground conduits or such other purposes related to the provision of public utilities to the Common Areas and drainage areas as may be considered necessary and appropriate by the Board of Directors for the orderly maintenance, preservation and enjoyment of the Common Areas and drainage areas and for the preservation of the health, safety, convenience or welfare of Members, their licenses or invitees.*

Section 4. Association Rules. *There shall be no violation of any rules for the use of the*

ARTICLE XI

Fiscal Management

Section 1. Fiscal Year. *The fiscal year of the Association shall begin on the first day of January of every year, except for the fiscal year of the Association which shall begin on the date of Incorporation. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors should corporate practice subsequently dictate.*

Section 2. Books and Accounts. *Books and accounts of the Association shall be kept under the direction of the Treasurer in accordance with good accounting practices. The same shall include books with detailed accounts, in chronological order, of the receipts and of the expenditures of the Association and its administration and shall specify the maintenance and repair expenses of the Common Areas and drainage areas any other expenses incurred. An account of any reserves established by the Board of Directors, including additions thereto and disbursements thereof, shall also be maintained. The amount of any assessment required for payment of any capital expenditures of the Association shall be credited upon the books of the Association to the "Paid-in-Surplus" account as a capital contribution by Members.*

Section 3. Auditing. *At the close of each fiscal year, the books and records of the Association shall be inspected by an independent Accountant whose report shall be prepared in accordance with generally accepted Financial Reporting Standards. Based upon such report, the Association shall furnish its Members with annual financial statements reflecting the income, expenditures and reserves of the Association and its condition at the close of such fiscal year.*

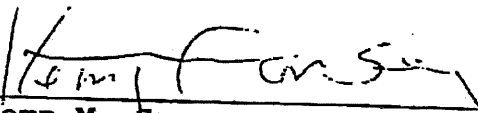
Section 4. Inspection of Books. *The books and accounts of the Association shall be available for examination by Members or their duly authorized agents or attorneys.*

Section 5. Execution of Corporate Documents. *With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Corporation by either the President or Vice President, and all checks shall be executed on behalf of the Association by the President or Treasurer or such other officers, agents, or other persons as are from time to time so authorized by the Board of Directors.*

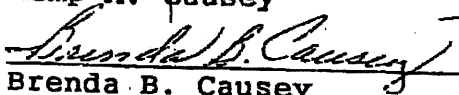
Section 6. Seal. *The Board of Directors shall provide a suitable corporate seal containing the name of the Association, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate seal may be kept and used by the Treasurer or any assistant Secretary or assistant Treasurer.*

The undersigned, being those persons constituting the first Board of Directors, acknowledge approval of these Bylaws by their signatures hereto.


Dated this 8th day of NOVEMBER, 1990.



Kemp M. Causey (Seal)



Brenda B. Causey (Seal)



Marion Graham (Seal)

The foregoing Bylaws of The Village at Calabash Property Owners Association, Inc. were approved at the special meeting of the Members of the Association on the 5th day of March, 2007, and include all known changes from the 8th day of November, 1990.

Michael Hartman, President
Patricia Mowery, Secretary