

BYLAWS OF
CROWNSTREAM PROPERTY OWNERS
ASSOCIATION, INC.

A Non-Profit Corporation

ARTICLE I

Name and Location

NAME AND LOCATION: The name of the Corporation is Crownstream Property Owners Association, Inc. The principal office shall be located at The site, North Carolina, but meetings of Members and Directors may be held at such places within the State of North Carolina as may be designated by the Board of Directors.

ARTICLE II

MEETINGS OF MEMBERS

Section 1: ANNUAL MEETINGS. The first annual meeting of Members shall be held within ninety (90) days after Turnover of the Association by the Developer. Subsequent annual meetings shall be held on the same day of the month of each year thereafter at the hour of 7:00 o'clock P.M. If the day for the annual meeting is a legal holiday, the meeting will be held at the same hour on the next day which is not a legal holiday.

Section 2: SPECIAL MEETINGS. After Turnover, special meetings of Members may be called at any time by the President or by two (2) Members of the Board of Directors or upon written request of Members who are entitled to vote fifty-one (51%) of all votes of the membership.

Section 3: NOTICE OF MEETINGS. Written notice of each

meeting of Members shall be given by, or at the direction of, the Secretary/Treasurer or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days, but not more than thirty (30) days, before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of receiving notice. Such notice shall specify the day, hour and place of the meeting and in the case of a special meeting, the purpose of the meeting.

Section 4: QUORUM. The presence at the meeting, in person or by proxy, of Members entitled to cast a majority of the votes of the membership shall constitute a quorum for authorization of any action, except as may otherwise be provided in the Declaration, the Articles of Incorporation, or these Bylaws. If a quorum is not present at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 5: PROXIES. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary/Treasurer. Proxies shall be revocable, and the proxy of any Owner shall automatically terminate on conveyance by him of his Lot.

ARTICLE III

BOARD OF DIRECTORS: TERM OF OFFICE; REMOVAL

Section 1: NUMBER. The affairs of the Association shall be managed by not less than three (3) nor more than five (5) directors. Prior to Turnover as described in the Master Declaration, the directors shall be appointed by Crownstream, Inc.; after Turnover they shall be duly elected by the Members of the Association from among the Members.

Section: TERM OF OFFICE. Prior to Turnover, Directors shall serve at the pleasure of Crownstream, Inc.; after Turnover they shall serve one (1) year terms and until their successors are duly appointed or elected, as the case may be.

Section 3: REMOVAL. After Turnover, any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

ARTICLE IV

BOARD OF DIRECTORS; MEETINGS

Section 1: REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held annually, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 2: SPECIAL MEETINGS. Special meetings of the

Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. QUORUM. A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of directors present at a duly held meeting in which a quorum is present shall constitute the act or decision of the Board.

ARTICLE V

BOARD OF DIRECTORS; POWERS AND DUTIES

Section 1: POWERS. The Board of Directors shall have the power to:

(a) Adopt and publish rules and regulations governing the use of the Common Areas and facilities including the personal conduct of the Members and their guests thereon; to establish penalties for infractions of such rules and regulations.

(b) Suspend the voting rights and right to use of the Common Areas of any Member during any period in which such Member is in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infraction of published rules and regulations.

(c) Exercise on behalf of the Association all powers, duties and authority vested in or delegated to the Association and not specifically reserved to the membership by the

Declaration, Articles of Incorporation, or by other provisions of these Bylaws.

(d) Employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

Section 2: DUTIES. It shall be the duty of the Board of Directors to:

(a) Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed;

(b) Fix the amount of the annual assessment against each Lot in advance of each annual assessment period;

(c) Send written notices of each assessment to every Owner subject thereto in advance of each assessment period; and

(d) Foreclose the lien against any Lot for which assessments are not paid within thirty (30) days after the due date, or to bring an action at law against the Owner personally obligated to pay the same;

(e) Issue on demand of any person a certificate setting forth whether or not any assessment has been paid. The Board may impose a reasonable charge for the issuance of such certificates;

(f) Procure and maintain liability and hazard insurance on all property owned by the Association as it may deem appropriate;

(g) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(h) Cause all property owned by the Association to be maintained.

ARTICLE VI

OFFICERS AND THEIR DUTIES

Section 1: ENUMERATION OF OFFICES. The officers of the Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, and a Secretary/Treasurer and such other offices as the Board may from time to time by resolution create.

Section 2: ELECTION OF OFFICERS. The election of officers shall take place at the organizational meeting of each new Board of Directors as the first order of business of the new Board.

Section 3: TERM. Each officer shall hold office for a term of one (1) year unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 4: SPECIAL APPOINTMENTS. The Board may elect 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 Board may, from time to time determine.

Section 5: RESIGNATION AND REMOVAL. Any officer may be removed from office by the Board at any time with or without

cause. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary/Treasurer. 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 6: VACANCIES. A vacancy in any office may be filled by appointment of the Board. The officer appointed to such vacancy shall serve for the unexpired term of the officer he replaces.

Section 7: MULTIPLE OFFICES. No person shall simultaneously hold more than one of any of the offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8: DUTIES. The duties of the officers are as follows:

(a) President: The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; and shall sign all leases, mortgages, deeds, and other instruments.

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

(c) Secretary/Treasurer: The Secretary/Treasurer shall

record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it to all papers so requiring; serve notice of meetings of the Board to Members; keep appropriate current records showing the Members of the Association together with their addresses. Also, the Secretary/Treasurer shall receive and deposit in appropriate bank accounts all funds of the Association and disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; shall keep proper books of the accounts; shall cause an annual audit of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each Member, and a report which shall be given at the regular annual meeting of Members.

ARTICLE VII

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments. All annual assessments shall be paid as designated by the Board of Directors. Any assessments not paid when due are considered delinquent. Interest, costs, and reasonable attorney's fees for collection shall be added to the amount of any assessment due. No Owner may waive or otherwise

escape liability for assessments by nonuse of the common properties or abandonment of his Lot. Delinquent assessments and costs shall constitute a continuing lien on the lot which generated the assessment until paid.

ARTICLE VIII

BOOKS AND RECORDS; INSPECTION

The books, records, and papers of the Association shall be subject to inspection by any Member upon fifteen (15) days prior written notice. The Declaration, Articles of Incorporation, and Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies shall be made available for sale at a reasonable price.

ARTICLE IX

CORPORATE SEAL

The Association shall have a seal in a circular form having within its circumference the words: CROWNSTREAM PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE X

AMENDMENTS

Prior to and after Turnover, these Bylaws may be amended by the Board of Directors at any regular or special meeting.

ARTICLE XI

FISCAL YEAR

The fiscal year of the Association shall be the calendar

year, except that the first fiscal period shall begin on the date of incorporation and shall end on December 31st of the year of incorporation.

ARTICLE XII

CONFLICTS

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

CORPORATE
SEAL

CROWNSTREAM PROPERTY OWNERS
ASSOCIATION, INC.

BY:

Sandra C Ward
President

ATTEST:

[Signature]
Secretary/Treasurer

STATE OF NORTH CAROLINA

COUNTY OF BRUNSWICK

I, Lisa Faye Anderson (Piver) Notary Public do hereby certify that Daniel Wade Clifton personally came before me this day and acknowledged that he/~~she~~ is Secretary/Treasurer of CROWNSTREAM PROPERTY OWNERS ASSOCIATION, INC., a North Carolina Corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and

attested by him/~~her~~ as its Secretary/Treasurer.

WITNESS my hand and official seal this the 12th day
of October, 1990.

Lois Jaye Anderson (piner)
Notary Public (Seal)

My Commission Expires:

9/3/92