

**BY-LAWS  
OF  
RIVER VIEW LOT  
OWNERS ASSOCIATION**

FOR REGISTRATION REGISTER OF DEEDS  
Jennifer Leggett Whitehurst  
Beaufort County, NC  
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**ARTICLE I  
NAME, LOCATION AND PURPOSE**

**Section 1: Name.** The name of the nonprofit corporation is RIVER VIEW LOT OWNERS ASSOCIATION, hereinafter referred to as the "Association."

**Section 2: Principal Office.** The principal office of the Association shall be located at 3219 Landmark Street, Suite 7-B, Greenville, North Carolina, 27834.

**Section 3: Registered Office.** The registered office of the Association required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.

**Section 4: Purpose.** This Association is charged with the operation and management of RIVER VIEW SUBDIVISION located in Pantego Township, Beaufort County, North Carolina. Said operation and management shall be carried out consistently with the provisions of the Declaration for RIVER VIEW SUBDIVISION that is recorded in the Register of Deeds in Beaufort County, North Carolina as well as the Articles of Incorporation for said Association.

**ARTICLE II  
DEFINITIONS**

**Section 1:** "Association" shall mean and refer to the RIVER VIEW LOT OWNERS ASSOCIATION, its successors and assigns.

**Section 2:** "Properties" shall mean and refer to that certain real property described in the Declaration for RIVER VIEW SUBDIVISION that is recorded in the Register of Deeds in Beaufort County, North Carolina and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

**Section 3:** "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties.

**Section 4:** "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.



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**Section 5:** "Declarant" shall mean and refer to RED CREEK RANCH, INC., its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

**Section 6:** "Declaration" shall mean and refer to the Declaration for RIVER VIEW SUBDIVISION applicable to the properties as the same is recorded in the Office of the Register of Deeds in Beaufort County, North Carolina.

**Section 7:** "Member" shall mean and refer to lot owners and the Declarant as the same is defined by the Declaration of RIVER VIEW SUBDIVISION and these By-Laws.

**Section 8:** "Mortgagee" shall mean and refer to persons, firms or corporations holding a recorded lien appearing of record in the Beaufort County Registry against any lots as defined in Section 3 hereof.

### **ARTICLE III ASSOCIATION MEMBERS**

Every person or entity who is a record owner of a fee or undivided fee interest in any lot that is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

**Section 1: Annual Meeting of Members.** The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, at the principal office of the Association, at an hour to be fixed by the President, and each subsequent regular annual meeting of the members shall be held on the same day and the same month of each year thereafter, at the principal office of the Association, at an hour to be fixed by the President for the purpose of electing Directors and for the transaction of such other business as may be brought before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding business day.

**Section 2: Substitute Annual Meetings.** If the annual meeting shall not be held on the day designated in these By-Laws, a substitute annual meeting at the principal office of the Association may be called in accordance with the provisions of Section 3 of this Article III. A meeting so called shall be designated and treated for all purposes as the annual meeting.

**Section 3: Special Meetings of Members:** Special meetings of the members may be held in the principal office of the Association, or elsewhere by consent of the members, whenever called by the President, the Board of Directors, or upon written request of the members representing one-fourth (1/4) of the membership entitled to vote.

**Section 4: Notice of Meetings.** Written notice of each meeting of the members 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, at least fifteen (15) 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 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.

**Section 5: Quorum.** At any meeting of the members, one-fourth (1/4) of the members entitled to vote, present and in person or represented by proxy, shall constitute a quorum of the membership for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. If a quorum is not present, the meeting may be recessed from time to time by announcement from the chair at the time such meeting was set and such shall be sufficient notice of the time and place of the recessed meeting. In addition, if a quorum is not present, the members entitled to vote thereat shall also have power to adjourn the meeting from time to time, without notice other than an announcement at the meeting, until the quorum as aforesaid shall be present or be represented.

**Section 6: Organization.** The President, or in his absence, the Vice-President shall preside over all meetings of members and the Secretary of the Association shall act as Secretary at all meetings of members; provided, however, in the Secretary's absence the President may appoint a Secretary for a meeting of the members.

**Section 7: Voting.** The Association shall have two classes of voting membership.

a. Class A. Class A members shall be all owners, with the exception of the Declarant, and 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 determine, but in no event shall more than one vote be cast with respect to any lot.

b. Class B. Class B member(s) shall be the Declarant as defined in the Declaration, and shall be entitled to two votes for each lot owned. The Class B membership shall cease, if not sooner terminated as provided herein or in the Declaration, five (5) years from the date of incorporation.

c. Each lot owner, being a member of the Association, shall be entitled to one (1) vote for each lot owned, except the Declarant, which shall be entitled to two (2) votes for each lot owned on each matter submitted to a vote at a meeting of members. The vote of a majority of the members at a meeting of members at which a quorum is present shall be the act of the members on that matter, unless the vote of a greater number is required by law, the Articles of Incorporation, or the Declaration. Cumulative voting shall not be allowed.

**Section 8: Voting by Proxy.** The vote allocated to a member may be cast pursuant to a dated, written proxy signed by the member and filed by the Secretary. Every proxy shall be revocable by a written notice delivered to the Secretary or person presiding over a meeting of the Association. Every proxy shall automatically cease upon conveyance by the member of his or her lot.

#### **ARTICLE IV BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE**

**Section 1: Number.** The affairs of this Association shall initially be conducted by two (2) Directors. However, at the first annual meeting, no more than seven (7) and not less than three (3) Directors shall be elected and have such terms in office as set forth in Section 2 below. The Directors shall be entitled to act on behalf of the Association in all routine, day to day operations of the Association.

**Section 2: Term of Office.** Members shall elect Directors for a term of three (3) years. The term of office for each Director shall be until the successors to such offices shall have been duly elected and qualified as hereinafter stated.

**Section 3: Removal.** Any Director may be removed from the Board, with or without cause, by a majority vote of all 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.

**Section 4: Compensation.** No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

**Section 5: Action Taken Without a Meeting.** The Board shall have the right to take any action in the absence of a meeting which they could take at a duly held meeting by obtaining the written consent of all of the Board members to the action. Any action so approved shall be filed in the corporate books and records and shall have the same effect as that taken at a meeting of the Board.

#### **ARTICLE V NOMINATION AND ELECTION OF DIRECTORS**

**Section 1: Nomination.** Except for the first annual meeting, nomination for election to the Board of Directors shall be made by a Nominating Committee. 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 Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members to serve from the close of such annual meeting until the close of the next annual

meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or nonmembers.

**Section 2: Election.** Election to the Board of Directors shall be by secret written ballot. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and these By-Laws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI MEETINGS OF DIRECTORS

**Section 1: Regular Meetings.** Regular meetings of the Board of Directors shall be held at least quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

**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 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 Board.

## ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

**Section 1: Powers.** Subject to the provisions contained herein and applicable law, the Board shall have the power and authority to exercise all of the rights and powers of the Association, including, but not limited to the following powers:

- a. To suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association; and to suspend such rights, after notice and hearing, for infraction of published rules and regulations for a period not exceed sixty (60) days;
- b. To declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

c. To employ a manager, an independent contractor, or other employees as is deemed necessary, and to prescribe their duties; provided, that any contract for professional management must contain a clause requiring not more than ninety (90) days termination notice;

d. To exercise all other powers that may be exercised in this State by legal entities of the same type as the Association;

e. To exercise any other powers necessary and proper for the governance and operation of the Association; and

f. To have and to exercise any and all powers, rights, and privileges which a corporation organized under the nonprofit corporation law of the State of North Carolina by law may now or hereafter have or exercise.

**Section 2: Duties of the Board of Directors.** It shall be the duty of the Board to do the following:

a. Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

b. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

c. As more fully provided in the Declaration, to:

1. At least thirty (30) days in advance of each annual assessments period, fix the amount of the annual assessment against each lot, with the exception of those lots owned by the Declarant, who is exempt from any and all assessments for any lot owned by it, either now or in the future;

2. Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

3. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

d. Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

e. Cause all officers or employees, including officers and employees of professional management having fiscal responsibilities, to be bonded, as it may deem appropriate; and

f. Cause the exterior of the dwellings to be maintained.

## **ARTICLE VIII OFFICERS AND THEIR DUTIES**

**Section 1: Enumeration of Officers.** The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, a Treasurer and such other officers 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 first meeting of the Board of Directors following each annual meeting of the members.

**Section 3: Term.** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year or until his successor is elected and qualified, unless he shall sooner resign, or shall be removed, or otherwise be 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, having 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 with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the 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 6: Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer replaced.

**Section 7: Multiple Officer.** The offices of Vice-President and Secretary may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

**Section 8: Officer 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; shall sign all leases, mortgages, deeds and other written instruments and shall cosign all checks and promissory notes.

b. **Vice President.** The Vice-President shall act in the place and stead 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.** The Secretary 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 on all papers requiring said seal; serve notice of meetings of the Board and of the members, keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board. The Secretary shall also maintain a registry for mortgagees of properties of members of the Association, and, upon satisfactory arrangements for reimbursement of expenses incurred, advise such mortgagees of any owner of any delinquency of as much as thirty (30) days of the payment of such owner's annual assessment, and to furnish to such mortgagee annual reports and other financial data; and shall notify such mortgagee of any condemnation procedures filed against the Association and advise them if such action results in an award for damages to the Association's property of \$10,000.00 or more.

d. **Treasurer.** The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors and, consistent with the Declaration, shall sign all checks and promissory notes of the Association, keep proper books of account, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year, and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the members.

## ARTICLE IX MORTGAGEES OR LIENHOLDERS

Any Mortgagee of or lienholder on, any lot may file with the Association a declaration of their interest therein. Thereafter, the consent of seventy-five percent (75%) of the mortgagees or lienholders on all lots in the RIVER VIEW SUBDIVISION, then under mortgages or lien, shall be required in order for the Association to:

a. Remove, abandon, or substantially alter any property taken under its control for the use and benefit of the owners of properties in RIVER VIEW SUBDIVISION from its original use and purpose or from its status for common use.

b. Diminish the voting interest of any lot owner to less than one vote for each lot in RIVER VIEW SUBDIVISION, or increase the total votes to a larger number than the total number of lots in RIVER VIEW SUBDIVISION.

c. Substantially alter the terms of the By-Laws of the Association, or the Declaration of RIVER VIEW SUBDIVISION.



**ARTICLE X  
COMMITTEES**

The Association shall appoint a Nominating Committee as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

**ARTICLE XI  
BOOKS AND RECORDS**

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member or a mortgagee of any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

**ARTICLE XII  
ASSESSMENTS**

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the sum or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessment provided for herein by nonuse or abandonment of his Lot.

The annual maintenance assessment may be increased at any time by an affirmative vote of seventy-five percent (75%) of all lot owners.

As more fully provided in the Declaration, the Declarant shall be exempt from any and all assessments, including annual and special, for any lot owned by it, either now or in the future.

**ARTICLE XIII  
CORPORATE SEAL**

The Association shall have a seal in circular form having within its circumference the words: River View Lot Owners Association, and the words: "Corporate Seal" in the center thereof.

# ARTICLE XIV AMENDMENTS

Except as otherwise provided herein, in the Articles of Incorporation, or in the Declaration; these By-Laws may be amended or repealed and new By-Laws may be adopted by an affirmative vote of a majority of a quorum of the members present in person or by proxy at a regular or special meeting of the members.

# ARTICLE XV DISSOLUTION

The Association may be dissolved with the assent given in writing and signed by not less than two-thirds (2/3) of each class of members.

# ARTICLE XVI MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

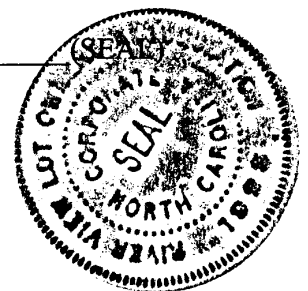
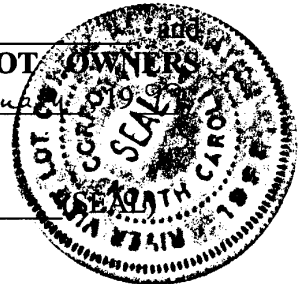
# ARTICLE XVII EFFECT

In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, Wade Hubers and Don Thurston being the Directors of **RIVER VIEW LOT OWNERS ASSOCIATION**, have hereunto set their hand and seal, this the 19<sup>th</sup> day of January

Wade Hubers  
DIRECTOR

Donald Thurston  
DIRECTOR

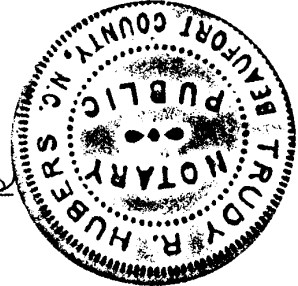


**STATE OF NORTH CAROLINA  
COUNTY OF BEAUFORT**

I, Judy R. Hubers, a Notary Public of the State and County aforesaid, certify that Wade Hubers and Don Thurston, officers of River View Lot Owners Association, personally appeared before me this day and signed the foregoing By-Laws and was sealed with its corporate seal.

WITNESS my hand and official seal, this the 18<sup>th</sup> day of January, 1999.

Judy R. Hubers  
NOTARY PUBLIC



My Commission expires: 12-11-2014

Label: River View Lot Owners Assoc. gm  
c/o Wade Hubers