

**BY-LAWS
OF
AUTUMNWOOD HOMEOWNERS ASSOCIATION, INC.**

A NOT FOR PROFIT CORPORATION ORGANIZED UNDER
THE LAWS OF THE STATE OF NORTH CAROLINA

**ARTICLE I
PURPOSE AND OBJECTIVES**

The purpose of the corporation shall be the management of a homeowner's association for the **AUTUMNWOOD HOMEOWNERS ASSOCIATION, INC.**, (the "Association") including, but not limited to the following:

- A. Manage and protect the interest and common property of the property owners of the Autumnwood development in Lee County, North Carolina as reflected by the Plat recorded in Plat Cabinet 2015, Slide 8 of the Lee County Registry and such additional lands as may be added to the subdivision (the "Subdivision");
- B. Manage the Subdivision pursuant to the terms and provisions of the North Carolina General Statutes, these Bylaws, any Rules and Regulations promulgated by the Association or its Board of Directors and the Declaration of Covenants, Conditions, and Restrictions for Westfall Subdivision, recorded in Book 1210, at Page 279 of the Lee County Registry (the "Declaration") and as amended in Book 1369, at Page 387 and in Book 1553, at Page 613 of the Lee County Registry and as may be amended from time to time as therein provided;
- C. Enforce the provisions of these Bylaws, the Declaration, and any Rules and Regulations promulgated by the Association or its Board of Directors;
- D. Promote and protect the enjoyment and beneficial use and ownership of all of the Lots of the Subdivision ("the Lots");
- E. Fix, levy, collect, and enforce payment by any lawful means, all assessments, fees, and charges pursuant to the terms of the Declaration; and
- F. Fulfill its obligations and enforce its rights as set forth in Chapter 47F of the North Carolina General Statutes.

No part of the net earnings of the Association shall inure to the benefit of its members, the members of its Board of Directors or its officers, or to any other person, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the above stated purposes

**ARTICLE II
PRINCIPAL OFFICE**

The Association's initial principal business office is located at 2557 Ravenhill Drive, Ste 1C, Fayetteville, North Carolina 28303.

ARTICLE III MEMBERS

Section 1. The Association shall be a nonprofit corporation organized and existing under the Laws of the State of North Carolina, being governed by a Board of Directors as set forth in Article V of these By-Laws. Further, the Association shall have voting members.

Section 2. Every person or entity who is a record owner of a fee or undivided fee interest in any of the Lots in any phase of the Subdivision shall be a member of the Association. Ownership of such interest shall be the sole qualification for membership, and membership shall be appurtenant to and may not be separated from such ownership. H&H Homes Realty, LLC ("Declarant") is the Developer of the Subdivision and has all rights of Declarant under these By-Laws.

The Association shall have two (2) classes of members:

- A. Class A Members: Class A Members consist of every person, group of persons, or entity that is a record Owner of a fee interest in any Lot within the Subdivision. However, persons or entities whose interest in any Lot is solely a security interest for the performance of an obligation shall not be a Member; and
- B. Class B Members: During the Development Period, as defined by the Declaration and all amendments thereto, the Declarant shall be a Class B Member. At the expiration of the Development Period, Class B Membership shall cease and be converted to Class A Membership.

ARTICLE IV MEETINGS OF MEMBERS

Section 1. PLACE OF MEETINGS: All meetings of Members shall be held at the Association's principal office or at any such place in Lee County, North Carolina, as shall be designated on the notice of the meeting or agreed upon by a majority of the Members entitled to vote at said meeting.

Section 2. ANNUAL MEETING: The Association shall hold an annual meeting of its members on the 3rd Monday, 1st Quarter of calendar year, at a time and place designated by the Board. At the annual meeting, the members shall be presented with an annual report of the Association, review proposed budgetary changes, elect Members to the Board pursuant to Section 4.2 of the Declaration and Article V of these By-Laws, and to transact any other business of the Association, including, but not limited to, adoption, modification, amendment, and/or repeal of the Declaration, or any part thereof, and/or any of the Rules and Regulations of the Association.

Section 3. SUBSTITUTE ANNUAL MEETING: If the annual meeting cannot be held on the day designated by these By-Laws, a substitute annual meeting may be called in accordance with the provisions of Section 4 of this Article IV. A meeting so called shall be designed and treated for all purposes as the annual meeting.

Section 4. SPECIAL MEETINGS: Special meetings of the Members may be called at any time by the Chairman of the Board of Directors of the Association, or upon the written request of not less than twenty percent (20%) of the members.

Section 5. NOTICE OF MEETINGS: Unless otherwise specified in the Declaration, Articles of Incorporation, or By-Laws, at least fifteen (15) days before each meeting of the Members, written notice of said meeting shall be given by, or at the direction of, the Board's secretary, or any other person authorized by the Board to call the meeting, by mailing a written notice of the meeting, postage prepaid, to each Member and addressed to the Member's last known mailing address as reflected by the Association's records. The meeting notice shall specify the date, time, location, and agenda for the meeting, including, but not limited to, the general nature of any proposed amendment to the Declaration or By-Laws, budget changes, and any proposal to remove a director or officer. The notice shall be deemed delivered when it is deposited in the United States Mail, addressed to the Member at his/her address as it appears on the record of the members of the Association, postage prepaid. It shall be the responsibility of the Members to ensure that their mailing address is current with the Association.

Section 6. QUORUM: In order to conduct the business of the Association, a quorum of Members shall be deemed present if persons entitled to cast ten percent (10%) of the votes which may be cast are present in person or by proxy at the beginning of the meeting. If the Association's business cannot be conducted because a quorum of Members is not present, the meeting may be adjourned to a later date by the affirmative vote of a majority of persons present in person or by proxy. If a meeting is adjourned due to failure to satisfy the quorum requirement, at the adjourned meeting, the quorum requirement is one-half of the quorum requirement applicable to the previously adjourned meeting.

Section 7. VOTING PROXIES: Votes may be cast either in person or by an agent authorized to vote on the Member's behalf by a written, dated proxy executed by the Member or his/her attorney-in-fact. All proxies shall be filed with the Secretary. A proxy terminates one year after its date, unless otherwise specified in the proxy. Any form of proxy which is legally sufficient may be used, but the following form of proxy shall be deemed sufficient:

The undersigned hereby irrevocably constitute and appoint _____ his/her/its attorney-in-fact and proxy for the sole purpose of casting the vote allocated to Lot ____, on all matters submitted to vote at that meeting of Autumnwood Homeowners Association, Inc., to be held on _____, 20____. The undersigned hereby ratify and confirm all such votes cast on behalf of said Lot at that meeting and certifies that he/she is fully authorized to execute this instrument of proxy on behalf of all owners of any fee interest in said Lot.

This the ____ day of _____, 20 ____.

BY: _____(SEAL)

Section 8. VOTING LIST: At least ten days before each meeting of members, the Secretary of the Association shall prepare an alphabetical list of the members entitled to vote at such meeting or any adjournment thereof, with the address of each, which list shall be kept on file with the book of records of the Association. This list shall be produced and kept open at the time and place of the meeting and shall be subject to inspection by any members during the whole time of the meeting.

**ARTICLE V
BOARD OF DIRECTORS**

Section 1. NUMBER: The business and affairs of the Association shall be managed by a Board of Directors of two (2) individuals, who shall be entitled to act on behalf of the Association. The Board of Directors shall initially consist of the individuals named in the Association's Articles of Organization. Subsequently, the Board of Directors shall be appointed by the Declarant during the period of Declarant Control as that term is defined by the Declaration, as amended and as may be amended from time to time. At the first meeting of the membership of the Association following the termination of the period of Declarant Control, the members of the Board of Directors shall be elected by the membership of the Association and those persons who receive the highest number of votes at a meeting at which a quorum is present shall be elected. The number of members of the Board of Directors may be changed by amendment of these By-Laws by the Declarant during the period of Declarant Control and thereafter, by a vote of at least seventy percent (70%) of the votes entitled to be cast by the Members.

Section 2. TERM: Each member of the Board of Directors shall hold office until his/her death, disability, resignation or removal, or until the expiration of his/her term and the election of his/her successor. The term of each member of the Board of Directors shall be two (2) years. Members of the Board may be elected and/or appointed for subsequent terms.

Section 3. POWERS AND DUTIES: The Board of Directors shall have the power and the duty to act on behalf of the Association in all instances, except that the Board may not amend the Declaration, terminate the Subdivision, elect members of the Board (except to fill any vacancy in its membership for the unexpired portion of a term) or determine the qualifications, powers, duties or terms of office of members of the Board. In addition the Board of Directors shall have the following specific powers, duties and responsibilities:

A. Adopt, amend, and publish rules and regulations governing the Subdivision and the use of the common areas, the conduct of the Members and their guests, and establish penalties for infractions of said rules;

B. Suspend a Member's voting rights and right to use the common facilities during any period in which the Member is in default for failure to pay any assessment levied by the Association;

C. Exercise all powers, duties, and authority of the Association not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

D. Employ agents, entities, contractors, and/or employees to perform and execute the duties, functions, and responsibilities of the Board as the Board may deem appropriate;

E. Keep a complete record of all of its acts and affairs of the Association and make the same reasonably available for examination by any Member and the Member's agents or mortgagees. Further, the Board shall present a statement of its acts and the affairs of the Association at the annual meeting of the Members;

F. Fix the amount of the annual assessment levied against each Lot at least thirty (30) days before said assessment is due. The Board shall also ensure that written notice of each assessment is sent to every Member at least thirty days before said assessment is due;

G. Initiate all legal action which may be necessary to protect the rights of the Association and its assets, including, without limitation, initiating a foreclosure action to foreclose the lien against any Lot for unpaid assessments and/or fines;

H. Adopt a proposed budget for the Association to be approved or rejected by the membership of the Association at its Annual Meeting. The proposed budget shall be adopted at a meeting of the Board to be held not more than sixty (60) days before the Annual Meeting of the membership of the Association. A summary of the proposed budget, including the amount of any proposed assessments against the Lots, shall be mailed to the membership not more than fourteen (14) nor less than thirty (30) days after the adoption of the proposed budget. The proposed budget shall be deemed ratified unless at the meeting more than fifty percent (50%) of the Lots existing at that time vote to reject it. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the membership ratifies a budget subsequently proposed by the Board of Directors; and

I. Fine any Lot owner as amount not to exceed One Hundred Fifty Dollars (\$150.00) for any single violation of the Declaration, these Bylaws or any Rules and Regulations promulgated by the Board. Multiple fines may be assessed against any Lot owner for multiple violations. Any such fines shall be deemed assessments against the Lot of such owner, and shall be collectable as provided in the Declaration.

Section 4. REMOVAL OF DIRECTORS: Any director may be removed at any time with or without cause by a vote of at least sixty-seven percent (67%) of all persons present and entitled to vote at any meeting of the membership of the Association at which a quorum is present. However, directors who are appointed by the Declarant may only be removed by the Declarant.

Section 5. VACANCIES: In the event of the death, disability, resignation or removal of a director, his/her successor shall be selected and appointed by the remaining members of the Board of Directors to serve until the next meeting of the membership of the Association or until

a successor is appointed by the Declarant if such vacancy is the result of the death, disability, resignation or removal of an initial director or a director who was appointed by the Declarant.

Section 6. COMPENSATION: Directors shall not receive any compensation for services that they may render to the Association. However, Directors may be reimbursed for their actual expenses incurred in performing their duties.

Section 7. ACTION TAKEN WITHOUT A MEETING: The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Said actions shall have the same effect as if they were taken during a meeting of the Board.

ARTICLE VI NOMINATION AND ELECTION OF OFFICERS

Section 1. NOMINATION: During the period of Declarant Control, the Declarant shall have the unilateral ability to appoint all members of the Board. After the period of Declarant Control, nominations for election to the Board shall be made by a Nominating Committee. The Members may also make nominations from the floor at the annual meeting. The Nominating Committee shall consist of the Chairman of the Board and two (2) Members of the Association who are appointed by the Board of Directors prior to the annual meeting. The members of the Nominating Committee shall serve from the close of the annual meeting until the date of the next annual meeting.

Section 2. ELECTION: After the period of Declarant Control, election of the directors shall be by secret written ballot cast by the Members and/or their proxies at the annual meeting. The person receiving the largest number of votes shall be elected.

ARTICLE VII MEETINGS OF THE BOARD OF DIRECTORS

Section 1. REGULAR MEETINGS: Regular meetings of the Board of Directors shall be held without notice at such time, place, and location as may be fixed from time to time by resolution of the Board. If said meeting falls upon a legal holiday, that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. SPECIAL MEETINGS: Any Director may call a special meeting of the Board of Directors.

Section 3. NOTICE OF MEETINGS: The person or persons calling a meeting of the Board of Directors shall, at least ten (10) days before the meeting, give written notice thereof. Such notice need not specify the purpose of the meeting.

Section 4. WAIVER OF NOTICE: The attendance by a member of the Board of Directors at a meeting shall constitute waiver of notice of such meeting, except when said member attends the meeting for the express purpose of objecting to the meeting due to lack of proper notice.

Section 5. QUORUM: A majority of the number of the members of the Board of Directors as fixed by the By-Laws, as may be amended from time to time, shall constitute a quorum to transact the business of the Association at any meeting of the Board of Directors.

Section 6. COMMITTEES: The Board of Directors may establish such standing or ad hoc committees which it deems necessary to assist in exercising its powers and fulfilling its obligations. Such committees shall be chaired by a member of the Board of Directors.

ARTICLE VIII OFFICERS

Section 1. DESIGNATION: The officers of the Association shall consist of a Chairman and a Vice-Chairman, who shall at all times be members of the Board, a Secretary, a Treasurer, and such other officers as the membership may elect from time to time. The offices of Vice-Chairman, Secretary, and Treasurer may be held by the same person.

Section 2. ELECTION OF OFFICERS: During the period of Declarant Control, the Declarant shall appoint the officers of the Association. Thereafter, the Board of Directors shall elect the officers of the Association.

Section 3. TERM: Barring death, disability, resignation, or removal, the officers shall serve one (1) year terms and may be re-elected for multiple terms.

Section 4. RESIGNATION OR REMOVAL: Any officer of the Association may be removed with or without cause by the Board. Any officer may resign at any time by giving notice to the Board, the Chairman, or the Secretary. Such resignation shall take effect on the date of receipt of the notice, unless a later date is specified therein.

Section 5. VACANCIES: During the period of Declarant Control, the Declarant shall have the right to fill all vacancies on the Board. After the period of Declarant Control, the Board shall appoint a person to fill said vacancy for the remainder of the original term.

Section 6. CHAIRMAN: The Chairman shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall control and supervise the business and affairs of the Association. The Chairman shall preside at all meetings of the Association. The Chairman shall also sign, with the Secretary, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be delegated by the law, the Board of Directors, or these By-Laws to another officer or agent of the Association. After the period of Declarant Control, the Chairman shall execute any amendments to the Declaration approved by the Members.

Section 7. VICE-CHAIRMAN: In the absence of the Chairman, or in the event of his/her death, incapacitation, or inability or refusal act, the Vice-Chairman shall perform the duties of the Chairman, and when so acting shall have all the powers of and be subject to all the

restrictions of the Chairman, and shall perform such other duties as from time to time may be assigned to him/her by the Chairman and/or the Board of Directors.

Section 8. SECRETARY: The Secretary shall keep minutes of the meetings of the Members, the Board of Directors, and Committees in one or more books provided for that purpose. The Secretary shall also ensure that all notices are duly given in accordance with the provisions of these By-Laws, the Articles of Organization, the Declaration, or as required by law. The Secretary shall also be the custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which is required to be done under seal. The Secretary shall also be authorized to certify and oversee the recordation of amendments to the Declaration. Further, the Secretary shall keep a record of the address of each Member, which addresses shall be provided to the Secretary by the Members.

Section 9. TREASURER: The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association. The Secretary shall further receive and give receipts for monies due and payable to the Association from any source, sign all checks and promissory notes of the Association, and deposit all such monies in the name of the Association in such depositories as shall be selected in accordance with the provisions of Section 4 of Article IX of these By-Laws. The Secretary shall keep proper books of account, prepare an annual budget of the Association, and prepare a statement of income and expenditures to be presented to the Members at the annual meeting. The Secretary shall further prepare, executed, and deliver certificates of Assessments as provided by the Declaration and perform all duties incident to the office of the treasurer and such other duties as from time to time may be assigned to him/her by the Chairman and/or the Board of Directors.

ARTICLE IX CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 1. CONTRACTS: The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on the behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. LOANS: No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. DEPOSITS: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors may select.

ARTICLE X ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay the Association annual and special assessments, which may be secured by a continuing lien on the Lot upon which the assessment is made. Any assessment that is not paid when due is deemed 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 six percent (6%) per annum, and the Association may bring an action against the Lot owner to pay the same and/or institute an action to foreclose the lien against the Lot in the same manner that Deeds of Trust may be foreclosed under Chapter 45 of the North Carolina General Statutes. In such event, the Association's reasonable attorney's fees and costs shall be added to the outstanding assessment.

ARTICLE XI INDEMNIFICATION

Any person who serves, or has served, as an officer of the Association or member of the Board of Directors, shall have the right to be indemnified by the Association to the fullest extent permitted by law against (a) reasonable expenses, including attorney's fees, incurred by him/her in connection with any threatened, pending, or completing civil, criminal, administrative, investigative, or arbitral action, suit, or proceeding (and any appeal therein), whether or not brought by or on behalf of the Association, seeking to hold him/her liable by reason of the fact that he/she is or was acting in such capacity; and (b) reasonable payments made by him/her in satisfaction of any judgment, monetary decree, fine, penalty, or settlement for which he/she may have become liable in any such action, suit or proceeding.

Upon request for payment, the Chairman of the Association shall promptly call a special meeting of the Board of Directors to obtain approval to pay the indemnification required by these By-Laws. Such approval may be general or confined to specific instances, and shall not be unreasonably withheld. Upon approval by the Board of Directors, the Chairman shall promptly cause the indemnification to be paid to the requesting party.

Any person who at any time after the adoption of these By-Laws serves or has served as an officer or member of the Board of Directors of the Association shall be deemed to be doing or to have do so in reliance upon, and in consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of these By-Laws.

ARTICLE XII AMENDMENTS

During the period of Declarant Control, these By-Laws may be amended by the Declarant unilaterally. After the period of Declarant Control, these By-Laws may be amended or repealed at a regular or special meeting of the Members by a vote of at least sixty-seven percent (67%) of a quorum of members present in person or by proxy.

ARTICLE XIII DISSOLUTION

In the event of dissolution of the Association, no director or officer shall be entitled to any distribution or division of its remaining property or its proceeds. After payment of all debts and obligations of the Association, the balance of all money and other property received by the Association, from any source, shall be disposed of exclusively for the benefit of the Association or distributed to an entity or entities whose purposes are substantially similar to the Association's and within the intent of Section 528 of the Internal Revenue Code of 1986 (the "Code"), or for charitable, educational, religious, or scientific purposes to an exempt organization(s) qualified under section 501(c)(3) of the Code, as the Board of Directors shall determine.

ARTICLE XIV GENERAL PROVISIONS

Section 1. SEAL: The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Association.

Section 2. FISCAL YEAR: The fiscal year of the Association shall be January 1 through December 31.

Section 3. CONFLICTS: In the event of any conflict between these By-Laws and the Articles of Incorporation, the Articles of Incorporation shall control. In the event of any conflict between these By-Laws and the Declaration, the Declaration shall control.

Section 4. PARLIAMENTARY GUIDE: Roberts Rules of Order, Newly Revised shall be the parliamentary guide for all matters not covered in these By-Laws, but may be deviated from by a majority vote of the Board on any given occasion.

Section 5. DEADLOCK: If any vote by the Board of Directors results in a tie, the vote cast by the Chairperson shall control the outcome of the deadlocked vote.

CHAIRMAN'S DECREE

THIS IS TO CERTIFY THAT the foregoing By-Laws of Autumnwood Homeowners Association, Inc. have been duly approved and adopted by the Board of Directors of said Corporation effective as of the 3rd day of March, 2021.



Brian Walker, Chairperson



Rodney Baker, Vice-Chairperson/Treasurer/Secretary