

**EXHIBIT B  
BY-LAWS OF  
THE WATERFRONT CONDOMINIUM ASSOCIATION**

**ARTICLE I  
Name, Purpose and Applicability**

1.1 **Name.** The name of this condominium association shall be The Waterfront Condominium Association. The Association shall herein be called the Association.

1.2 **Purpose.** The purpose of the Association shall be to administer, manage and operate the Condominium Property in accordance with the Unit Ownership Act, the Declaration and these By-Laws, as each may be amended from time to time. The Association shall not engage in any activities other than those directly related to administration of the Condominium Property and the Unit Owners' responsibilities with respect to the same and those rights and responsibilities with respect to the Commercial Space provided in the Declaration.

1.3 **Applicability.** These By-Laws are applicable to the Condominium Property as such property is described on Exhibit A attached to, that certain Declaration Creating Unit Ownership and Establishing Restrictions, Covenants and Conditions for The Waterfront Condominiums (the "Declaration"). These By-Laws are binding on all present or future Owners, tenants, guests, residents or other persons occupying or using the facilities of such Condominium Property. The mere acquisition, rental or act of occupancy of any part of the Condominium Property will signify that these By-Laws are accepted, ratified and will be complied with. The provisions of the Declaration regarding the governing and administration of the Association are incorporated herein by reference.

**ARTICLE II  
Definitions**

The definition of words contained in the Article I of the Declaration shall apply to those words and terms as used in these By-Laws.

**ARTICLE III  
Offices, Registered Agent, Seal, Fiscal Year**

3.1 **Principal Office, Registered Office.** The principal office of the Association shall be located at The Condominium, Queen Elizabeth Avenue, Manteo, North Carolina 27954, and the initial registered office of the Association shall be the same.

3.2 **Registered Agent.** The initial Registered Agent for the Unit Owners for matters incident to the Condominium property and the initial Registered Agent for the Association is Ray E. Hollowell, Jr., 5950 Fairview Road, Charlotte, North Carolina 28210. The individual serving as Registered Agent may be removed from office and replaced at any time by a vote of the Board of Directors of the Association.

3.3 **Other Offices.** The Association may have other offices at such other places within the State of North Carolina as the Board of Directors may from time to time determine or as the affairs of the Association may require.

3.4 **Seal.** The seal of the Association shall contain the name of the Association, the word "Seal", and such other words and figures as desired by the Board of Directors. When obtained, the seal shall be impressed in the margin of the minutes of the initial meeting of the Board of Directors.

3.5 **Fiscal Year.** The fiscal year of the Association shall be the calendar year.

#### ARTICLE IV Membership

4.1 **Qualification.** Membership in the Association shall be confined to and consist of the Unit Owners. Membership shall be appurtenant to and inseparable from the Unit Ownership. No Unit Owner shall be required to pay any consideration whatsoever for his membership. Membership in the Association shall inure automatically to Unit Owners' upon acquisition of the fee simple title, whether encumbered or not, to anyone or more Units. The date of registration of the conveyance in the Dare County Registry of the Unit in question shall govern the date of Ownership of each particular Unit.

4.2 **Place of Meetings.** All meetings of the membership shall be held in the County of Dare, North Carolina, at such place as is convenient to the members as may be designated by the Board of Directors.

4.3 **Annual Meetings.** The first Annual Meeting of the Unit Owners shall be held either (a) at the date and hour designated by the Declarant, or (b) at 8:00 P.M. on the first Wednesday next following or coincidental with the expiration of thirty (30) days from the day the seventeenth (17th) Unit is conveyed by Declarant, or (c) at 8:00 P.M. on Wednesday, March 4, 1987, whichever shall occur first. Thereafter, the Annual Meetings shall be held on the second Wednesday in March of each year at 8:00 P.M. in the principal office of the Association.

4.4 **Substitute Annual Meetings.** If an Annual Meeting shall not be held on the day designated by these By-Laws, a substitute Annual Meeting maybe called in accordance with the provisions of Sections 4.5 and 4.6 immediately below. A meeting so called shall be designated and treated for all purposes as the Annual Meeting.

4.5 **Special Meetings.** After the first Annual Meeting of the Members, Special Meetings of the Members may be called at any time by the President, Board of Directors, or pursuant to the written request of the Owners of not less than twenty (20%) percent of the votes of the Membership, by written notice to all Unit Owners. Business to be acted upon at all Special Meetings shall be confined to the objects stated in the notice of such meeting.

4.6 **Notices of Meetings, Waiver.** Written or printed notice stating the time and place of the meeting shall be delivered not less than ten (10) nor more than fifty (50) days before the date of any Membership meeting, either personally or by mail, by or at the direction of the President, the Secretary or other person calling the meeting, to each Member entitled to vote at such meeting. Notice shall be deemed given upon deposit in an official depository of the United States Postal Service in an envelope properly addressed to each Unit Owner at the address of such Unit or at any other address supplied to the Association by the Owner with sufficient postage affixed thereto. Notice given to anyone tenant in common or tenant by entirety of a Unit shall be

deemed notice to all co-Owners of the subject unit. In the case of a Special Meeting; the notice of meeting shall state specifically the purpose or purposes for which the meeting is called; however, in the case of an Annual or Substitute Annual Meeting, the notice of meeting need not state specifically the business to be transacted thereat. Any member may waive the necessity of formal notice to him by signing a written waiver either before or after the meeting and upon execution of such waiver the Member shall not be entitled thereafter to object to the meeting being held or matters being passed upon at the meeting because of lack of notice thereof.

4.7 **Quorum.** Except as otherwise provided in these By-Laws, the presence in person or by proxy of Members holding fifty (50%) percent of the total vote of the Membership shall constitute a quorum at all meetings of the Members. If a quorum is not present or represented 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 the announcement at the meeting, until a quorum is present or is represented. The Members at any meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

4.8 **Voting Rights.** The total number of votes of all Unit Owners shall be one hundred (100), and the Owner or Owners of each Unit shall be entitled to cast the number of votes equal to the percentage interest in the common areas and facilities appurtenant to such Unit, such percentage being set forth in Article XIV of the Declaration. If a Unit is owned by two or more persons (whether individually or in a fiduciary capacity), the votes allocated to that Unit, may be cast by anyone of the co-Owners, in person or by proxy. If more than one of the co-Owners vote, the unanimous action of all co-Owners voting shall be necessary to effectively cast the votes allocated to the subject Unit.

4.9 **Proxies.** Members may vote either in person or by agents duly authorized by written proxy executed by the subject Member or by his duly authorized attorney-in-fact. A proxy is not valid after the expiration of eleven (11) months from the date of its execution, unless the person executing it specifies therein the length of time for which it is to continue in force, or limits its use to a particular meeting, but no proxy shall be valid after ten (10) years from the date of its execution. Unless a proxy otherwise provides, any proxy holder may appoint in writing a substitute to act in his place. In order to be effective, all proxies must be filed with the Secretary or duly acting Secretary either during or prior to the meeting in question. All of the above provisions concerning the voting by co-Owners shall apply to votes cast for anyone Unit by two or more proxy holders.

4.10 **Majority Vote.** The casting of a majority of the votes represented at a meeting at which a quorum is present, in person or by proxy, shall be binding for all purposes except where a higher percentage vote is required by the Declaration, these By-Laws or by law.

4.11 **Actions without Meeting.** Any action which may be taken at a meeting of the Membership may be taken without a meeting if a consent or ratification, in writing, setting forth the action so taken or to be taken shall be signed by persons who would be entitled to vote one hundred (100) votes upon such action at a meeting and such consent is filed with the Secretary of the Association and inserted in the minute book of the Association.

**ARTICLE V**  
**Board of Directors**

5.1 **General Powers.** The business and affairs of the Association shall be managed by the Board of Directors or by such committees as the Board may establish pursuant to Section 6 of these By-Laws.

5.2 **Number, Term and Qualification.** The initial Board of Directors shall consist of the three (3) individuals named by the Declarant. From and after the date of the first Annual Membership Meeting, there shall be five (5) Directors. The initial Board shall serve until their successors are elected at the first Annual Membership Meeting. All of the Directors at all times while in office shall be members of the Association. Each Director shall be at least eighteen (18) years of age. Any qualified Director may be re-elected in office. Each Director shall hold office until his death, resignation, retirement, removal, disqualification or his successor is elected and qualified

5.3 **Nominations.** Nominations for election to the Board of Directors shall be made by a Nominating Committee consisting of a Chairman, who shall be a Member of the Board, and at least two (2) Members of the Association. The Nominating Committee shall be appointed by the Board 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 as it shall, in its discretion, determine; however, in no event shall the nominations be less than the number of vacancies. Nominations may be made also from the floor at the Annual Meeting.

5.4 **Election of Directors.** At the first Annual Membership Meeting, the Members shall elect five (5) Directors. Three of such directors shall serve for a term of two (2) years, and the remaining two (2) directors shall serve for a term of one (1) year. The three (3) directors receiving the largest number of votes shall serve for the two-year period, and the two (2) directors receiving the second largest number of votes shall serve for the one-year period. Thereafter, at the second Annual Meeting and each Annual Meeting thereafter, directors shall be elected to serve for a term of two (2) years. All directors shall serve until their successors are elected and qualified. If any Member so demands or if the presiding officer so directs, the election of Directors shall be by ballot. Otherwise, the election shall be by voice vote. Persons receiving the highest number of votes shall be elected. Cumulative voting shall not be permitted.

5.5 **Removal.** Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association at any Special Meeting of the Membership, provided the notice of the meeting must state that the question of such removal will be acted upon at the subject meeting. If any Directors are so removed, their successors as Directors may be elected by the Membership at the same meeting to fill the unexpired terms of the Directors so removed.

5.6 **Vacancies.** A vacancy occurring in the Board may be filled by a majority of the remaining Directors, though less than a quorum, or by the sole remaining Director; however, a vacancy created by an increase in the authorized number of Directors shall be filled only by election at an annual or substitute Annual Meeting, or at a Special Meeting of Members called for that purpose or by unanimous consent of the Members without meeting. The Members may elect a Director at any time to fill any vacancy not filled by the Directors.

5.7 **Chairman.** There may be a Chairman of the Board elected by the Directors from their number at any meeting of the Board. The Chairman shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. In the absence of the Chairman, the President shall preside at all meetings of the Board.

5.8 **Compensation.** No Member of the Board shall receive any compensation from the Association for acting as such; provided, however, each Director, upon approval of the Board, shall be reimbursed for reasonable out-of-pocket expenses incurred and paid by him on behalf of the Association, and nothing herein shall prohibit the Board compensating a Director for unusual and extraordinary services rendered; further provided, each Director, by assuming office, waives his right to institute suit against or make claim upon the Association for compensation.

5.9 **Loans to Directors and Officers.** No loans shall be made by the Association to its Directors or officers.

5.10 **Liability of Directors.** To the extent permitted by law, each Director shall be indemnified by the Association with respect to any liability and expenses of litigation arising out of his lawful activities within the scope of his duties as a Director.

5.11 **Meetings of Directors.**

(a) **Regular Meetings.** Regular Meetings shall be held, without notice, at such hour and address as may be fixed from time to time by resolution of the Board. Should any such 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.

(b) **Special Meetings.** Special Meetings shall be held when called by the President of the Association or by any Director after not less than three (3) nor more than thirty (30) days written notice to each Director.

(c) **Notices of Special Meetings.** The notice provided for herein may be waived by written instrument signed by those Directors who do not receive such notice. Except to the extent otherwise required by law, the purpose of a Directors Special Meeting need not be stated in the notice. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting unless subject Director gives written statement at the meeting to the person presiding, objecting to the transaction of any business because the meeting is not called lawfully.

(d) **Approved Meeting Place.** All Directors meetings shall be held in the County of Dare, State of North Carolina, unless a majority of the Directors then in office agree in writing to hold a meeting or meetings at another location.

(e) **Quorum.** A majority of the Directors then holding office shall constitute a quorum for the transaction of business and 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 or decision of the Board.

5.12 **Action without 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 of the Directors. Any action so approved shall have the same effect as if taken at a meeting of the Directors. Such written approval shall be filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

5.13 **Presumption of Assent.** A Director of the Association who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to

the action taken unless his contrary vote is recorded or his dissent otherwise is entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

**5.14 Powers and Duties.** The Board shall have all of the powers and duties necessary for the administration of the affairs of The Waterfront Condominium Association except such powers and duties as by law or by the Condominium Documents may not be delegated by the Unit Owners to the Board. The powers and duties to be exercised by the Board shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the Common Areas and Facilities and, to the extent provided in the Declaration, the Commercial Space;
- (b) Determination of the funds required for operation, administration, maintenance and other affairs of The Waterfront Condominium Association and collection of the Common Expenses from the Unit Owners, as provided in the Declaration;
- (c) Employment and dismissal of personnel necessary for the efficient operation and maintenance of The Waterfront Condominium Association;
- (d) Adoption of Rules and Regulations covering the details of the operation and use of the Condominium Property.
- (e) Opening of bank accounts on behalf of the Association and designating the signatures required therefore;
- (f) Purchasing Units at foreclosure or other judicial sales in the name of the Association or its designee;
- (g) Selling, leasing, mortgaging, voting the votes appurtenant to (other than for the election of Directors), or otherwise dealing with Units acquired by the Association or its designee;
- (h) Obtaining insurance for the Condominium Property pursuant to the Declaration;
- (i) Keeping detailed, accurate records in chronological order of the receipts and expenditures affecting the Common Areas and Facilities, specifying and identifying the maintenance and repair expenses of the Common Areas and Facilities and any other expenses incurred. Such records and the vouchers accrediting the entries thereupon shall be available for examination by all of the Unit Owners, or their duly authorized agents or attorneys at convenient hours on working days. All books and records shall be kept in accordance with good and accepted accounting practices and an outside audit shall be made at least once a year;
- (j) Keeping a complete record of the minutes of all meetings of the Directors and Membership in a minute book in which shall be inserted written records of actions taken by the Directors and Members by consent without meeting; and
- (k) Supervising all officers, agents and employees of the Association and insuring that their duties are properly performed.

**5.15 Independent Manager.** The Board may employ or enter into a management contract with any individual or firm it deems appropriate and in the best interest of the Association concerning the routine management of the Condominium Property. The Board may delegate to such person or firm (herein referred to in these By-Laws as "Independent Manager") such duties

and responsibilities in the management of the Condominium Property as the Board deems appropriate. Nevertheless, the Board may not delegate to the Independent Manager the complete and total responsibilities and duties of the Association in violation of the Act. The Independent Manager's contract always shall be subject to the conditions set out in Article VI, Section 4 of the Declaration. The Board shall have authority to fix reasonable compensation for the Independent Manager. The Independent Manager shall at all times be answerable to the Board and subject to its direction.

## **ARTICLE VI Committees**

6.1. **Creation.** The Board, by resolutions adopted by a majority of the number of Directors then holding office, may create such committees as it deems necessary and appropriate in aiding the Board to carry out its duties and responsibilities with respect to the management of the Condominium Property. Each committee so created shall have such authorities and responsibilities as the Board deems appropriate and as set forth in the resolutions creating such committee. The Board shall elect the members of such committee. Each committee shall have in its membership at least one (1) member of the Board.

6.2 **Vacancy.** Any vacancy occurring on a committee shall be filled by a majority of the number of Directors then holding office at a regular or special meeting of the Board.

6.3 **Removal.** Any member of a committee may be removed at any time with or without cause, by a majority of the number of Directors then holding office.

6.4 **Minutes.** Each committee shall keep regular minutes of its proceedings and report the same to the Board when required.

6.5 **Responsibility of Directors.** The designation of committees and the delegation thereto of authority shall not operate to relieve the Board or any member thereof of any responsibility or liability imposed upon it by him by law. If action taken by a committee is not considered formally thereafter by the Board, a Director may dissent from such action by filing his written objection with the Secretary with reasonable promptness after learning of such action.

## **ARTICLE VII Officers**

7.1 **Enumeration of Officers.** The officers of the Association shall consist of a President, a Secretary/Treasurer and such Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers and the Board may from time to time elect. Except for the President, no officer need be a member of the Board.

7.2 **Election and Term.** The officers of the Association shall be elected annually by the Board. Such elections shall be held at the first meeting of the Board next following the Annual or Substitute Annual Meeting of the Members. Each officer shall hold office until his death, resignation, removal or until his successor is elected and qualified.

7.3 **Removal.** Any officer elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Association will be served thereby.

7.4 **Vacancy.** A vacancy in any office may be filled by the election by the Board of a successor to such office. Such election may be held at any meeting of the Board. The officer elected to

such vacancy shall serve for the remaining term of the officer he replaced.

7.5 **Multiple Offices.** The person holding the office of President shall not also hold the offices of Secretary or Treasurer at the same time. Any other offices may be simultaneously held by one person.

7.6 **President.** The President shall be the chief executive officer of the Association and shall be the Chairman of the Board of Directors, if no other member of the Board be so designated, and shall preside at all meetings of the Members. In the absence of an elected Chairman, he shall preside also at all meetings of the Board. He shall see that the orders and resolutions of the Board are carried out; shall sign in behalf of the Association all written instruments regarding the Common Areas and Facilities and all promissory notes of the Association, if any. He shall have all powers necessary as the person responsible to carry out and perform actions of the Board or to execute authority given him by the Board

7.7 **Vice President.** The Vice Presidents, in the order of their election unless otherwise determined by the Board, in the absence or disability of the President, shall perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and have such other powers as the Board shall prescribe.

7.8 **Secretary.** The Secretary shall keep the minutes of all meetings of Members and of the Board; shall have charge of such books and papers as the Board may direct and shall perform all duties and have such powers as the Board shall prescribe.

7.9 **Treasurer.** The Treasurer shall have the responsibility for keeping full and accurate financial records in books of account showing all receipts and disbursements, and for the preparation of all required financial statements. He shall cause an annual audit of the Association's books to be made by a public accountant at the completion of each fiscal year; shall prepare or cause to be prepared an annual budget and a statement of income and expenditures to be presented to the Membership at its Annual Meeting; and shall deliver a copy of each to the Members. He shall perform all duties and have such powers as the Board shall prescribe.

7.10 **Assistant Secretaries and Treasurers.** The Assistant Secretaries and Treasurers shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of those offices, and, they shall, in general perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or by the Board.

## ARTICLE VIII

### General Provisions

8.1 **Parliamentary Rules: Robert's Rules of Order** (latest edition) shall govern the conduct of the Association proceedings when not in conflict with North Carolina law, the Declaration or these By-Laws.

8.2 **Fidelity Bonds.** The Board of Directors may require that all employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the Association as a Common Expense.

8.3 **Conflicts.** If there are conflicts or inconsistencies between the provisions of North Carolina or the Declaration and these By-Laws, the provisions of North Carolina law and the Declaration (in that order) shall prevail.

8.4 **Amendments.** These By-Laws may be amended by the vote of Members owning at least a majority of the interest in the Common Areas and Facilities, provided that no such amendment shall be effective until placed in writing, executed and acknowledged by Members owning at least a majority of



the Common Areas and Facilities, and filed for registration in the Dare County Registry; provided, however, if a larger vote is required to take or refrain from taking a specific action, as set forth in these By-Laws, no amendment shall be made unless and until the Members holding such larger percentage interest in the Common Areas and Facilities execute such amending instrument. All persons or entities who own or hereafter acquire any interest in the Condominium Property shall be bound to abide by any amendment to these By-Laws, upon the same being passed as provided herein and duly set forth in an amended Declaration and By-Laws and duly recorded as provided herein.

EXHIBIT C  
to  
Declaration Creating Unit Ownership and Establishing Restrictions.  
Covenants and Conditions  
for  
The Waterfront Condominiums Plans

The Plans consist of Sheets 1 through 9-Sheet 1 being a Site Plat by W. M. Meekins, Jr., Registered Surveyor, and Sheets 2 through 9 contain plans for each level of the building, floor plans of each unit type, and elevations of the building prepared by Ferebee, Walters & Associates and entitled "The Waterfront Condominiums", all of which are made a part hereof and are **recorded in Unit File No. \_\_2\_** •  
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STATE OF NORTH CAROLINA )  
 )  
COUNTY OF DARE )

**AMENDMENT TO THE BY-LAWS OF THE  
WATERFRONT CONDOMINIUM ASSOCIATION, INC.**

Re: Board of Directors

KNOW ALL MEN BY THESE PRESENTS, that this Amendment to the By-Laws of the Waterfront Condominium Association, the original of which are recorded in Book 414, pages 790--798 in the office of the Dare County Register of Deeds, is made and entered into by the Waterfront Condominium Association, Inc. hereinafter referred to as Waterfront Condominium Association or as the "Association."

WITNESSETH:

WHEREAS, pursuant to Article VIII, Section 8.4 of the By-Laws of the Association, the By-Laws may be amended by the vote of Members owning at least a majority of the interest in the Common Areas and Facilities;

AND WHEREAS at the annual membership meeting of the Association (being the owners of the units) was held, after due notice as required, on the 15<sup>th</sup> day of March, 2008; and at such meeting more than fifty percent (50%) of the members, being present in person or by proxy, voted to approve the amendment to the By-Laws hereinafter set forth, and have provided their written acknowledgement to the Association;

AND WHEREAS Article V, Section 5.2 of the By-Laws as originally written stipulates that there shall be five directors of the Waterfront Condominium Association, but it is the desire of the Association that the number of directors be increased to seven;

NOW THEREFORE, in accordance with Article VIII, Section 8.4 of the By-Laws, The Association does hereby amend said By-Laws to read as follows:

Article V, Board of Directors, Section 5.2 , Number, Term and Qualification,

The number of individuals serving as Directors upon the Board of Directors shall be decreased from seven (7) to five (5). Directors shall serve until their successors are elected at the Annual Membership meeting. All of the Directors at all times while in office shall be members of the Association. Each Director shall be at least eighteen (18) years of age. Any qualified Director may be re-elected to office. Each Director shall hold office until his death, resignation, retirement, removal, disqualification or his successor is elected and qualified.

The undersigned officers of the Association do hereby certify that the Amendment to the By-Laws set forth above has been duly adopted by the vote of Members owning at least a majority of the interest in the Common Areas and Facilities as required in Article VIII, Section 8.4 of the By-Laws of the Waterfront Condominium Association.

IN WITNESS WHEREOF, the Association has caused this Amendment to the By-Laws to be executed by its President and attested to by its Secretary.

This the 11th day of March, 2008.

WATERFRONT CONDOMINIUM ASSOCIATION, INC.

By: Scott Hershey  
President

ATTEST:

Catherine W. Johnson  
Secretary

STATE OF Pennsylvania

ACKNOWLEDGMENT

COUNTY OF Cumberland

This 11<sup>th</sup> day of March, 2008 personally appeared before me Scott Hershey who being by me first duly sworn said that he/she is the President of the WATERFRONT CONDOMINIUM ASSOCIATION, INC. and that the signature affixed to the foregoing instrument in writing is his/her signature, that said writing was signed by him/her on behalf of said Association by its authority duly given, and that said writing is the act and deed of said Association.

Loretta A. Kemberley  
Notary Public

My Commission expires: June 13, 2010

STATE OF NORTH CAROLINA

ACKNOWLEDGMENT

COUNTY OF Alamance

This 12th day of March, 2008 personally appeared before me

Catherine W. Johnson who being by me first duly sworn said that he/she is the Secretary of the WATERFRONT CONDOMINIUM ASSOCIATION, INC. and that he/she is familiar with the signature of

Scptt Hershey, President of the Association, and that the signature affixed to the foregoing instrument in writing is his/her signature, that said writing was signed by him/her on behalf of said Association by its authority duly given, and that said writing is the act and deed of said Association.

Mary P. Conklin  
Notary Public

My Commission expires: 5/29/10

NORTH CAROLINA  
DARE COUNTY

The foregoing certificates of \_\_\_\_\_

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all/both being Notaries Public are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

Barbara M. Gray Register of Deeds of Dare County, N. C.

Recorded: 3/14/2008  
Filed Book: 1760 Page: 408  
DOC Id: 6236918  
Receipt #: 201314  
Doc Code: ADMT

B: 1808 P: 37  
07/28/2009 09:57 AM  
Doc Code: ADMT  
Vanzolia McMurran, Register of Deeds Dare CO, NC

Doc Id: 6262342  
Receipt #: 09-10215

6262342 B: 1808 P: 37 Page 1 of 3 7/28/09 9:57 AM  


Prepared by and return to: Daniel D. Khoury  
VANDEVENTER BLACK, LLP  
6 Juniper Trail  
P.O. Box 2  
Kitty Hawk, NC 27949-0002

### AMENDMENT TO BY-LAWS OF THE WATERFRONT CONDOMINIUM

THIS AMENDMENT TO BY-LAWS OF THE WATERFRONT CONDOMINIUM, made as of May 15, 2009 by THE WATERFRONT CONDOMINIUM ASSOCIATION, a North Carolina not for profit corporation and condominium association (the "Association") (Grantor and Grantee for recording purposes).

#### WITNESSETH:

WHEREAS, the Declaration Creating Unit Ownership And Establishing Restrictions, Covenants And Conditions For The Waterfront Condominiums, executed on August 19, 1985, was recorded in the Dare County Registry in Book 414, Page 0737, as amended by that certain First Amendment To Declaration Creating Unit Ownership And Establishing Restrictions, Covenants And Conditions For The Waterfront Condominiums, dated March 18, 1999, and filed in the Dare County Registry in Book 1252, Page 0058 (collectively the "Declaration");

WHEREAS, the By-laws of The Waterfront Condominium Association are recorded in the Dare County Registry in Book 414, Page 0790, as amended by that certain Amendment To The By-Laws For The Waterfront Condominiums dated May 21, 1999 and recorded in the Dare County Registry in Book 1268, Page 0621 (collectively the "Bylaws") and that certain Amendment To The By-Laws Of The Waterfront Condominium Association, Inc. dated March 15, 2008 and recorded on March 17, 2008, in the Dare County Registry in Book 1761, Page 20;

WHEREAS, the Bylaws may be amended by the vote of members owning at least a majority of the interest in the Common Areas and Facilities;

WHEREAS, the members desire to amend the Bylaws as set forth herein; and

WHEREAS, the amendment having been agreed to, executed and acknowledged by the requisite vote of members.

NOW, THEREFORE, pursuant to the rights given to and reserved by the Association and the Owners to amend the Bylaws and in accordance with the North Carolina Condominium Act, as amended (the "Act"), the Bylaws are hereby amended as follows:

Article II is hereby amended to add the following language:

Except wherever the terms "Board of Directors" is used in the Declaration, said term shall be synonymous with the terms "Executive Board" or "Board" in these By-Laws; and wherever the term "Director(s)" is used in the Declaration, said term shall be synonymous with the term "Board Member(s)" in these By-Laws.

Article III, Section 3.4 is hereby deleted in its entirety.

Article III, Section 3.5 is hereby amended and restated as follows:

**3.5 Fiscal Year.** The fiscal year of the Association shall be the calendar year, unless the Board establishes a different fiscal year.

Article IV, Section 4.3 is hereby amended and restated as follows:

**4.3 Annual Meetings.** The Annual Meeting of the Association shall be held in the month of March each year on a Saturday or Sunday.

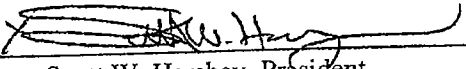
The Bylaws shall be amended to substitute the term "Executive Board" for "Board of Directors" and the term "Board Member" for "Director" wherever the terms appear in the Bylaws.

Article VIII, Section 8.4 is hereby amended and restated as follows:

**8.4. Amendments.** These By-Laws may be amended by a vote of Members to which at least a majority of the interest in the Common Areas and Facilities appertains, or any larger majority the Act or the By-Laws specify, provided that any such amendment shall be effective when prepared, executed, recorded, and certified on behalf of the Association by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the association.

Except as modified by this Amendment, the Bylaws, are expressly ratified, affirmed and shall remain in full force and effect.

THE WATERFRONT CONDOMINIUM  
ASSOCIATION

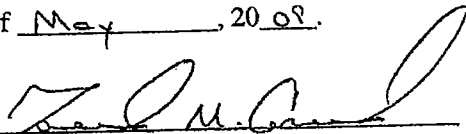
By   
Scott W. Hershey, President

ACKNOWLEDGMENT

STATE OF Pennsylvania  
COUNTY/CITY OF Cumberland to-wit:

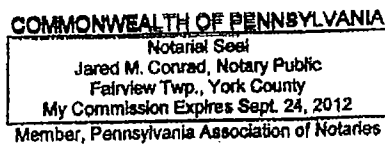
I, Jared Conrad, A Notary Public of Cumberland County, State of Pennsylvania, certify that Scott W. Hershey personally came before me this day and acknowledged that he is President of The Waterfront Condominium Association, a North Carolina Corporation, and that, by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by him as President which actions received the prior approval by the requisite majority of members of the Corporation.

Witness my hand and official seal/stamp, this 15 day of May, 2008.

  
Notary Public

My commission expires: Sept 24, 2012

[Seal/Stamp]



6262342 B: 1808 P: 37 Page 3 of 3 7/28/09 9:57 AM



**AFFIDAVIT OF CORRECTION**

This Affidavit of Correction is being recorded to :  
change the date of the Amendment to By-Laws of The Waterfront Condominium  
from May 15, 2009 to March 21, 2009.

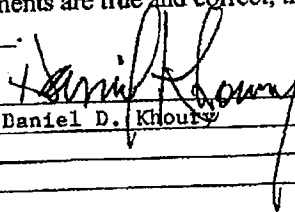
Original Grantor(s): The Waterfront Condominium Association, a North  
Carolina not for profit corporation

Original Grantee(s): The Waterfront Condominium Association, a North  
Carolina not for profit corporation

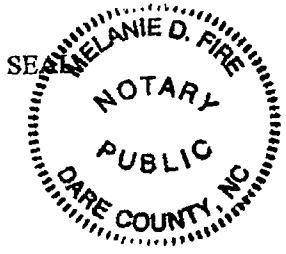
Recorded in Book 1808 Page 37

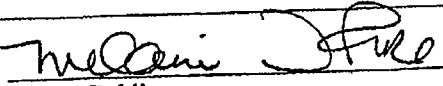
Date Recorded: July 28, 2009

I/We hereby certify that the above statements are true and correct, this the 7th  
date of August, 2009.

  
\_\_\_\_\_  
Daniel D. Khoury

Sworn to and subscribed before me this 7th day of August, 2009,  
by Daniel D. Khoury



  
\_\_\_\_\_  
Notary Public  
My commission expires: 1/21/2013

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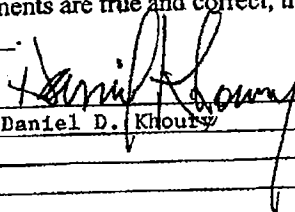
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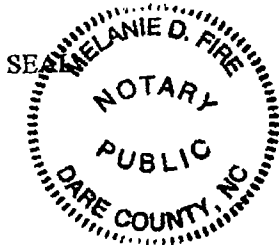
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Sworn to and subscribed before me this 7th day of August, 2009,  
by Daniel D. Khoury



  
\_\_\_\_\_  
Notary Public

My commission expires: 1/21/2013