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Vanzella McHarran, Register of Deeds Dare CO, NC

Prepared by: St. Waves Homeowners Association, Inc.  
Mail after recording to:  
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Post Office Box 750  
Avon NC 27915

**BY-LAWS OF  
ST. WAVES HOMEOWNERS ASSOCIATION, INC.**



**BY-LAWS OF**  
**ST. WAVES HOMEOWNERS ASSOCIATION, INC.**

**A Non-Profit Corporation**

**ARTICLE I**

**PURPOSE AND OFFICES**

**Section 1. IDENTITY**

St. Waves Homeowners Association, Inc. is a non-profit corporation organized under Chapter 55A of the General Statutes of North Carolina under the Articles of Incorporation of which were filed in the Office of the Secretary of State, dated March 30, 1988. St. Waves Homeowners Association, Inc., hereinafter called "Association", has been organized for the purpose of administering the operation and management of St. Waves Subdivision, established or to be established in accordance with the laws of the State of North Carolina on the property situate, lying and being in the town of Waves, Dare County, North Carolina, and being described in the Office of the Registrar of Deeds in Dare County, North Carolina.

**Section 2. APPLICABILITY**

The provisions of these by-laws are applicable to the Association and the terms and provisions hereof are expressly subject to the terms, provisions, conditions and authorizations contained in the Articles of Incorporation and which may be contained in the Declaration of Protective Covenants and Restrictions recorded or to be recorded in the Public Records of Dare County, North Carolina, the terms and provisions of said Articles of Incorporation and Declaration of Protective Covenants and Restrictions controlling wherever the same may be in conflict herewith.

**Section 3. REGISTERED OFFICE**

The registered office of the Corporation shall be located at 25206 Sea Vista Drive, Waves North Carolina 27982. Mailing address is P.O. Box 339, Avon, North Carolina 27915.

**ARTICLE II**

**MEMBERSHIP, VOTING, QUORUM, PROXIES**

**Section 1. QUALIFICATION**

The qualification of members, the manner of their admission to membership and termination of such membership, and voting by members, shall be as set forth in Article IV of the Articles of Incorporation of the Association, the provisions of which said Articles are incorporated therein by reference.

Members shall be divided into two (2) classes: Residential (52) (voting) and Commercial (13)(non-voting). Commercial members are initially exempt from dues payment. Should, by a unanimous vote of the Commercial members, Commercial members become dues paying members, as approved by the Directors, their voting rights within the Association shall be provided. An amendment

to these by-laws must be duly approved and recorded should this occur. Commercial lots are designated as Lots 1-9, Phase I, Lots 7-10, Phase III.

## Section 2. QUORUM

A quorum at meetings of members shall consist of one third (1/3) of the entire voting membership. The joinder of a member in the action of the meeting by signing and concurring in the minutes thereof shall constitute the presence of such person for the purpose of determining a quorum. (Once a quorum has been determined for the conducting of business at any meeting, a majority of those present and voting at such meeting shall have authority to act on any matter before the meeting, except where such larger number is required by the Declaration of Protective Covenants or Articles of Incorporation of the Association.)

## Section 3. MULTIPLE OWNERSHIP

The total membership of the Association is deemed to be the number of members which is equal to the number of lots or parcels of land within the St. Waves Subdivision from time to time. The number of lots which equals the number of members as of the date of the adoption of these by-laws is 65.

The member shall be the person or persons or entity in which the legal title to the lot or parcel of land is deeded. If more than one lot or fraction of a lot is deeded then the vote and assessment shall be equivalent to the lot plus the fraction of lot to the end that the total number of votes shall at all times equal the number of lots existing in the subdivision.

In the event of multiple ownership of an individual lot by one or more persons or by one or more entities (corporations or partnerships) upon the receipt of any notice of meeting by any member which is made up of multiple ownership such members shall file with his/her proxy or bring to the meeting a certificate designating the voting member for such lot or lots. No more than one person shall exercise such voting right for a lot in multiple ownership and the certificate designating the voting member's name shall be binding at all meetings until a subsequent certificate is on file with the Association. There is not permitted any splitting of the individual memberships for voting purposes and the vote shall be binding upon such member based on the existing certificate on file with the Association.

## Section 4. VOTING

Votes may be cast in person or by proxy. Proxies shall be valid for eleven (11) months unless otherwise designated thereon and must be filed with the Secretary before the appointed time of the meeting. Except where otherwise required under the provisions of the Articles of Incorporation of the Association, these by-laws, the Declaration of Protective Covenants and Restrictions or whether the same may otherwise be required by law, the affirmative vote of the persons entitled to cast a majority of the votes at any duly called members meeting at which a quorum is present shall be binding upon the members. All votes for lots or parcels of land in multiple ownership shall be in accordance with Section 3 above.

## Section 5. Architectural Guidelines and Adherence

All lots within the subdivision are subject to the Architectural Review Guidelines as amended from time to time by majority vote of the members. A committee shall be appointed by the Board of Directors to insure compliance of all lot owners with these Guidelines. The Board shall have the right to establish fines and/or penalties for non-compliance with proper notice provided to lot owners who may be in violation of such Guidelines. Also, no new construction or exterior renovation/addition of any kind shall take place without approval of the Architectural Review Committee.

## **ARTICLE III**

### **MEETING OF MEMBERS**

#### **Section 1. ANNUAL MEETINGS**

The annual meeting of the membership shall be held at such time and place as may designated by the Board of Directors for the purposes of electing Directors and transacting any other business authorized to be transacted by the members.

#### **Section 2. NUMBER OF LOTS**

These by-laws are adopted with an understanding that there are 65 lots, 52 of which are non-commercial, with voting rights, as described in Article II, Section 4.

#### **Section 3. PLACE OF MEETINGS**

All meetings of members shall be held at such place within the State of North Carolina as shall be designated by the Board of Directors or agreed upon by a majority of the members entitled to vote.

#### **Section 4. SPECIAL MEETINGS**

Special meetings of the members may be called at any time by the President or Vice President, or the Board of Directors, and must be called by such officers upon receipt of a written request from members holding a 1/3 majority of the votes entitled to be cast at any meeting of members.

#### **Section 5. NOTICE OF MEETINGS**

Written or printed notice stating the time and place of the meeting shall be delivered not less than 10 nor more than 50 days before the date thereof, either personally, electronic communications or by mail, by or at the direction of the President, the Secretary, or other person calling the meeting, to each member of record entitled to vote at such meeting.

In the case of an annual or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted thereat unless it is a matter, other than election of Directors, on which the vote of members is expressly required by the provisions of Chapter 55A of the North Carolina General Statutes. In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called.

When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than 30 days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than an announcement at the meeting at which adjournment is taken.

If there is no quorum present at the opening of a meeting of members, such meeting may be adjourned from time to time by a vote of a majority of the members voting on the motion to adjourn; at any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting. The members at a 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.



## **ARTICLE IV**

### **BOARD OF DIRECTORS**

#### **Section 1. GENERAL POWERS**

The business and affairs of the Corporation shall be managed by the Board of Directors. The Board of Directors shall have the authority to make rules and regulations governing the conduct of members in the Association, setting of annual dues and special assessments, and governing the use of common facilities in the Subdivision.

#### **Section 2. NUMBER, TERM AND QUALIFICATIONS**

The Board of Directors shall consist of no fewer than three (3) and no more than seven (7) persons, including the Officers, and each succeeding Board of Directors shall consist of persons with staggered terms. Directors shall serve for a term of three years, but shall remain in office until their successors are elected and qualified. A Director need not be a resident of the subdivision. Upon adoption and recording of these by-laws, two (2) Directors shall be elected for a term of three years, two (2) Directors for two years, and two (2) Directors for one year. Upon expiration of these terms, subsequent elections or re-elections shall all be for three year terms.

#### **Section 3. ELECTION OF DIRECTORS**

At the beginning of the election of Directors at each annual meeting nominations shall be made and those persons who receive the highest number of votes shall be deemed to have been elected.

#### **Section 4. VACANCIES**

A vacancy occurring on the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum.

## **ARTICLE V**

### **MEETINGS OF DIRECTORS**

#### **Section 1. REGULAR MEETINGS**

A regular meeting of the Board of Directors shall be held immediately after or concurrently with, and at the same place as, the annual meeting of members. In addition, the Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings. Such meetings may be by telephone conference call.

#### **Section 2. SPECIAL MEETINGS**

Special meetings of the Board of Directors may be called by or at the request of the President or any three (3) Directors.

**Section 3. NOTICE OF MEETINGS**

Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall at least three days prior to the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called.

**Section 4. QUORUM**

A majority of the Directors fixed by these by-laws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If any Directors' meeting cannot be conducted because a quorum has not attended, the Directors who are present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for the purpose of determining a quorum.

**Section 5. DIRECTORS' FEES**

Directors' fees, if any, shall be determined by the members of the Association.

**ARTICLE VI**

**OFFICERS**

**Section 1. NUMBER**

The officers of the Corporation shall consist of a President, a Vice President, a Secretary, and a Treasurer (all of whom shall be a Director), and if amendments to the by-laws are made in accordance with Article VIII, such other officers as the Board of Directors may from time to time elect. Any two or more offices may be held by the same person, except the offices of President and Secretary, and the offices of President and Treasurer.

**Section 2. ELECTION AND TERM**

The officers of the Corporation shall be elected by the Board of Directors. Such election may be held at any regular or special meeting of the Board. Each officer shall hold office until his/her death, resignation, retirement, removal disqualification, or his successor is elected and qualifies. Members and Chairman of the Architectural Control Committee (ACC) will also be appointed by the Board of Directors, for periods designated by them, and under terms of employment if required.

**Section 3. REMOVAL**

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause.



#### **Section 4. COMPENSATION**

The compensation of all officers and/or appointees of the Corporation, if any, shall be fixed by the Board of Directors.

#### **Section 5. PRESIDENT**

The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall supervise and control the management of the Corporation in accordance with the by-laws.

He/she shall, when present, preside at all meetings of members. He/she shall sign, with any other proper officer, any deeds, mortgages, bonds, contracts, or other instruments which may be lawfully executed on behalf of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated to the Board of Directors to some other officer or agent; and, in general, he/she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

#### **Section 6. VICE PRESIDENT**

The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of that office; and, in addition, shall perform such other duties and have such other powers as the Board of Directors shall prescribe.

#### **Section 7. SECRETARY**

The Secretary shall keep accurate records of the acts and proceedings of all meetings of members and Directors. He shall give all notices required by law and these by-laws. He/she shall have general charge of the membership records of the Corporation and shall keep, at the registered or principal office of the Corporation, a record of members, showing the name and address of each member and the number of votes held by each. He/she shall sign such instruments as may require his/her signature, and, in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned from time to time by the President or by the Board of Directors.

#### **Section 8. TREASURER**

The Treasurer shall have custody of all funds and securities belonging to the Corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors. He/she shall keep full and accurate accounts of the finances of the Corporation in books especially provided for that purpose; and he shall cause a true statement of its assets and liabilities as of the close of each fiscal year and of the results of its operations, all in reasonable detail, to be made and filed at the registered or principal office of the Corporation within four months after the end of such fiscal year. The statement so filed shall be kept available for inspection by any member for a period of 10 years; and the Treasurer shall mail or otherwise deliver a copy of the latest such statement to any member upon his written request. The Treasurer shall, in general perform all duties incident to his/her office and such other duties as may be assigned to him/her from time to time by the President of the Board of Directors. If a Management Company has been hired by majority election of the Directors, the Treasurer shall oversee and certify all reports and accounting of funds as provided by the Management Company.

**Section 9. ASSISTANT SECRETARIES AND TREASURERS**

The Assistant Secretaries and Assistant Treasurers (when and if named) 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 of the Board of Directors.

**Section 10. BONDS**

The Board of Directors may by resolution require any or all officers, agents and employees of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

**Section 11. EMPLOYMENT OF DIRECTORS**

Nothing herein shall preclude the Board of Directors from employing a Director as an employee of the Association, nor preclude the contracting with a Director for the management of the Association.

**ARTICLE VII**

**CONTRACTS, LOANS, DEPOSITS AND MANAGEMENT COMPANY**

**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 on behalf of the Corporation, and such authority may be general or confined to specific instances.

**Section 2. LOANS**

No loan shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

**Section 3. CHECKS AND DRAFTS**

All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

**Section 4. DEPOSITS**

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors shall direct.



**Section 5. MANAGEMENT COMPANY**

The Board of Directors may engage a Management Company for the operations of the Association. Such Management Company must be a licensed Real Estate Broker within the State of North Carolina and subject to all rules and regulations of the North Carolina Real Estate Commission.

**ARTICLE VIII**

**GENERAL PROVISIONS**

**Section 1. AMENDMENTS**

Amendments to these by-laws shall be proposed and adopted in the following manner:

- (a) Amendments to these by-laws may be proposed by the Board of Directors of the Association acting upon a vote of the majority of the Directors, or by members of the Association holding a majority of the votes in the Association, whether meeting as members or by instrument in writing signed by them.
- (b) Upon any amendment or amendments to these by-laws being proposed by said Board of Directors or members, such proposed amendment or amendments shall be transmitted to the President of the Association, or other Officer of the Association in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than twenty (20) days or later than sixty (60) days from receipt by such Officer of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written or printed notice of such meeting in the same form and in the same manner as notice of the call of a Special Meeting of the members required as herein set forth.
- (c) In order for the amendment or amendments to become effective, the same must be approved by the affirmative vote of two-thirds (2/3) of the total vote of the members of the Association. Thereupon, such amendment or amendments to these by-laws shall be transcribed, certified by the President and Secretary of the Association, and a copy thereof shall be recorded in the Public Records of Dare County, North Carolina, within 10 days from the date on which any amendment or amendments have been affirmatively approved by the Directors and members. No amendment shall become operative or effective until it shall have been duly recorded.
- (d) Upon approval and proper recording of any amendment or amendments, the same shall become binding upon all owners.

**Section 2. RULES OF CONDUCT**

- (a) No resident of the Subdivision shall post any advertisements or posters of any kind in or on the Common Elements except as authorized by the Corporation.
- (b) Residents shall exercise extreme care about making noises or the use of musical instruments, radios, television sets and amplifiers that may disturb other residents. Those

keeping domestic animals will abide by the sanitary regulations and the animal control ordinance of Dare County.

- (c) No garbage or trash shall be thrown or deposited outside the disposal installations provided for such purposes.
- (d) No member (owner in the Subdivision) shall cause any improvement or alteration to be made in the St. Waves Subdivision nor shall alter the condition of any common areas without the prior written permission from the Board of Directors, or the representative of a duly appointed Architectural Control Committee. No member (owner) shall cause anything to be affixed to the common properties or in any manner alter or change the appearance of the common properties without the prior written consent of the Board of Directors or the representative of a duly appointed Architectural Control Committee.

**Section 3. SUPERSESSION**

When approved by a two-third (2/3) vote of the membership, in accordance with the provisions of Section 1 (c) of this Article and recorded with the Dare County Register of Deeds, these covenants and all attached and associated documents supersede all previously filed covenants, attachments and amendments governing the St. Waves Development.

**ARTICLE IX**

**INDEMNIFICATIONS**

The Association shall indemnify every Director, every Officer of the Association and every member of the Architectural Control Committee, his/her heirs, assigns, executors or administrators against all loss, costs and expense, reasonably incurred by him/her in connection with any action, suit or proceeding to which he/she may be made a party by reason of his/her having been a Director or Officer of the Association, or member of the Architectural Control Committee, except as to matters wherein he/she shall finally be adjudged in any such action, suit or proceeding to be liable for or guilty of gross negligence or willful misconduct. The foregoing rights shall be in addition to and not exclusive of all other rights to which such Director, Officer or Member may be entitled. The Association is hereby specifically authorized to secure insurance coverage for the protection of the Association in complying with this provision.

The Board of Directors shall have full authority to add additional persons to those covered by the Indemnification Provision, upon appropriate resolution at a duly called meeting upon notice of the proposed resolution for such purpose.

*Kelly K. Wilson*

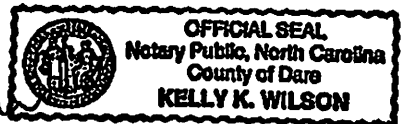
APPROVED:

*J. A. Riser*  
PRESIDENT

JAR/lab: 5/14/2010

November 26, 2010 SECRETARY

County of Dare  
State of North Carolina



*Kelly K. Wilson, Notary Public  
my commission expires July 21, 2015*