

**BY LAWS
OF
CWC OWNERS ASSOCIATION, INC.**

**ARTICLE I
IDENTIFICATION**

These Bylaws apply to that Condominium project known as Cedarwood Village Condominium (hereinafter, the "Project"), as described in the Declaration of Unit Ownership (hereinafter "Declaration") for same as recorded or to be recorded in the office of the 'Register of Deeds of Carteret County, said Declaration, and the Articles of Incorporation of the corporation, being incorporated by reference. The purposes of the corporation are, generally for the management, maintenance and regulation of the Project as set forth in the Declaration and, the Articles. In the event of conflict between these Bylaws and the Declaration or the Articles, the terms of the Declaration or Articles shall control.

**ARTICLE II
MEMBERSHIP AND VOTING**

- A. The membership of the corporation shall consist of all owners of units in the project, as specifically set forth in the Declaration and Articles.
- B. A quorum at members' meetings shall consist of persons entitled to cast a majority of votes of the entire membership.
- C. The vote of the owners of a unit owned by more than one person or entity, or by a corporation, shall be cast by one person designated by such owner or owners, in writing, filed with the Secretary of the Corporation. Such designation shall remain in effect until revoked by subsequent designation, in writing, so filed.
- D. Votes may be cast in person or by proxy. Proxies shall be valid only for the meeting designated therein and must be filed with the Secretary prior to such meeting.
- E. Except where otherwise required by these Bylaws, the Declaration or the Articles of Incorporation, 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.

**ARTICLE III
ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP**

- A. The annual meeting of members shall be held at a time and place designated by the Board of Directors on the second Saturday of January of each year for purposes of electing Directors and transacting other business.
- B. Special meetings shall be held whenever called by the President, by a majority of the Board of Directors, or by unit owners having at least twenty (20) percent of the votes in the Association.

C. Notice of all members' meetings shall be given in writing by the Secretary -to each member, unless waived in writing, such notice to state the time and place of the meeting, and the purpose of the meeting. Such notice shall be given not less than 10, nor more than 50, days prior to the meeting date. Such notice shall be delivered personally, or mailed in the U.S. Mails, postage prepaid, to the last known address of such member.

D. The order of business at each meeting, as far as practical, shall be:

1. Calling of roll and certifying of proxies.
2. Proof of notice of meeting (or of waivers thereof).
3. Reading and vote on unapproved minutes.
4. Reports of officers.
5. Reports of committees.
6. Appointment of Inspectors of Elections.
7. Unfinished business.
8. New Business
9. Adjournment.

ARTICLE IV

BOARD OF DIRECTORS

A. There shall be three directors of the corporation, initially, who shall be those directors named in the Articles of Incorporation. The initial directors shall serve until their successors shall have been qualified and elected. The board shall remain at 3 until the first annual meeting after, by amendment to the Declaration, the number of total units shall have reached 16 or more, at which time, and thereafter, there shall be five (5) directors.

B. The directors shall be elected from amongst the membership (including officers and directors of corporate unit owners and partners where an owner is a partnership).

C. Election of directors shall occur at each annual meeting and shall be by vote of the members, with each unit having a total of one vote equal to the number of directors to be elected multiplied by that unit's appurtenant undivided interest in the common area as set forth in the Declaration; provided, however, that no member or owner of one unit may cast a vote greater than the unit's undivided interest in the common area for any one person nominated as a director, so that voting shall not be cumulative.

D. In the event of vacancy on the board of directors, the remaining directors shall appoint a new director to fill the unexpired term.

E. The annual meeting of directors shall take place immediately after the annual meeting of members, and no notice shall be required therefore.

F. Regular or special meetings of directors shall be held at such times and places as determined by a majority of directors. Notice of such meetings shall be given by mail, telephone or telegram at least three (3) days prior to the date of such meeting.

G. Any director may waive notice of any meeting.

H. A quorum of directors shall be two (2) while there are three directors and three (3) when there become five (5) directors. Vote of a majority of directors shall constitute the acts of the board, except where otherwise provided by these Bylaws, the Articles of Incorporation or the Declaration. A meeting may be adjourned, for lack of quorum, from time to time, until a quorum shall be present.

1. The chairman or president of the board shall preside.

J. All powers and duties of the association shall be exercised by the Board of Directors, which powers and duties are enumerated in the Declaration and in North Carolina General Statutes 47C-3-102. Provided, however, that where certain acts by the corporation are required to be voted upon by the membership per the Declaration, such provisions of the Declaration shall take precedence. The association may delegate to a managing agent administrative duties such as collecting assessments and day to day management and maintenance of the Project, including payment therefore.

K. Any one or more directors may be removed by vote of members owning a majority of units in the condominium at any annual meeting or at any special meeting of members called for each purpose.

ARTICLE V

OFFICERS

A. There shall be four officers of the corporation who shall be elected annually by the board of directors at their annual meeting from among their number. These officers shall be: President, Vice President, Secretary and Treasurer. The President shall also serve as Chairman of the Board of Directors. While there are only three (3) directors, the Secretary and Treasurer shall be the same individual.

B. The President shall be the chief executive officer of the corporation who shall have the powers and duties usually vested in such office.

C. The Vice President shall, 'in the absence of the President, exercise his powers and perform his duties.

D. The Secretary shall keep the minutes of all proceedings of Directors and members. He shall attend to the giving and serving of notice to members and Directors. He shall have custody of and keep the seal and the records of the association, and perform such other duties incident to such office.

E. The Treasurer shall have custody of all property of the association, including funds, securities and evidences of indebtedness, and the records therefore.

F. All officers shall serve at the pleasure of the Board of Directors and may be removed, with or without cause, at any time by a vote of a majority of Directors.

ARTICLE VI

FISCAL MANAGEMENT

The fiscal management of the association shall be as set forth in the Declaration, supplemented hereby:

- A. The Board of Directors shall adopt a budget for each year which shall contain estimates of costs of performing the functions of the association as delineated in the Declaration, and shall propose assessments, based thereon, against each owner and his unit. Copy of such budget shall be sent to each member prior to, or along with, notice of the annual assessment.
- B. The Board of Directors shall, from time to time, designate such depository banks as may be necessary. Withdrawal from accounts shall be by such persons as are authorized by the directors
- C. The financial book and documentation shall be available for, inspection by all unit owners and their Lenders or agents during-normal business hours.
- D. The fiscal year of the association shall be the calendar year, except the first fiscal year shall commence as of the date of recordation of the Declaration.

ARTICLE VII

AMENDMENT TO BYLAWS

Amendments to these Bylaws shall be proposed and adopted in the following manner:

- A. Amendments may be proposed by vote of a majority of directors or by Members of the Association owning a majority of units.
- B. Upon proposal of such amendment, the President shall call a special meeting of the membership for a date not more than 50 nor sooner than 10 days from date of such proposal, the Secretary to give each member written notice of such meeting, and the purpose therefore, in the same form and manner as for call of a special meeting of members.
- C. In order for such amendment to be effective it must be approved by vote of members holding not less than seventy-five (75%) percent of the common ownership in the project. Upon approval, such amendment shall be executed by the appropriate officers of the corporation (President and Secretary), and shall be recorded in the office of the Register of Deeds of Carteret County within twenty (20) days of such approval.

ARTICLE VIII

GENERAL PROVISIONS

- A. The seal of the Association shall be adopted by the Board of Directors and shall consist of two concentric circles between which is the name of the Association, and in the center of which is the word "SEAL".
- B. No loan shall be contracted for by the Association without resolution by the Board of Directors.

C. Amendment to the Declaration, upon proper vote (ARTICLE XIV of the Declaration), shall be executed and recorded by the President and Secretary.

D. These Bylaws are set forth to comply with Chapter 47C, forth Carolina General Statutes. In the event of conflict between these Bylaws and said statutes, the provisions of the statutes shall apply.

Adopted unanimously on September 5th 1997, by the initial Board of Directors.