

BYLAWS OF PINE HILL RESIDENTS, INC.

ARTICLE I NAME, MEMBERSHIP, APPLICABILITY AND DEFINITIONS

Section 1 Name:

The name of the Corporation shall be PINE HILL RESIDENTS, INC., (*hereinafter sometimes referred to as the "Association"*).

Section 2 Community Definitions:

Pine Hill Residents, Inc. is an Age Restricted Planned Development of land consisting of multiple structures on a common lot expressly for use and residency by persons who have achieved the minimum age requirement for residency of fifty-five (55) years or older, who are able to maintain an active, independent lifestyle without the help of additional on-site support services.

1. Not more than two (2) residents shall occupy any dwelling unit, except for those persons as stated in ARTICLE VII RULES & REGULATIONS Rule 2.
2. No resident under the age of 35 is allowed.
3. All occupants of a dwelling unit shall be age fifty-five (55) or older except as follows:
 - A spouse or cohabiting partner of an occupant age fifty-five (55) or older;
 - An occupant who survives his or her spouse or partner;
 - A spouse where the occupant has entered into a long-term care facility;
 - Not more than one child residing with one parent, provided said child is (35) years of age or older;
 - A mentally or physically handicapped child, brother or sister of an occupant or spouse who is dependent upon said occupant or spouse for daily care;
 - A paid caregiver providing medical or health care to an occupant or spouse, as stated in ARTICLE VII RULES & REGULATIONS Rule 2.

ARTICLE II MEETINGS, QUORUM, VOTING PROXIES

Section 1. Place of Meetings:

Meetings of the Association shall be held at the Clubhouse of the Association or at such other suitable place convenient to the Shareholders as may be designated by the Board of Directors.

Section 2. Annual Meetings:

The Association shall meet annually thirty (30) days prior to the close of the fiscal year as herein provided or initially set by the Board of Directors. After the first annual meeting, the succeeding meetings shall be held on the anniversary date (September 1) or within one (1) week thereof in each year on such day as may be formally set by the Board.

Section 3. Special Meetings:

It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed by at least twenty-five (25%) percent of the votes of the members of the Association. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings:

It shall be the duty of the Secretary not less than fifteen (15) nor more than (30) days in advance of any meeting requiring voting to send by regular mail or hand deliver to the Owner of record of each Share, a notice of each annual or special meeting of the Association stating the purpose of the special meeting as well as the time and place where it is to be held; if a Shareholder wishes notice to be given at an address other than his or her location in Pine Hill Park, the Shareholder shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice.

Section 5. Adjournment of Meetings:

If any meetings of the Association cannot be held because a quorum is not present, a majority of the Shareholders who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 6. Voting:

The voting rights of the members shall be one (1) vote per Share.

Section 7. Proxies:

A vote may be cast in person or by proxy. Proxies may be given to any person and shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

Section 8. Majority of Shareholders:

As used in these Bylaws, the term "majority" shall mean those legal Shareholder votes, totaling more than fifty (50%) percent of the Quorum.

Section 9. Quorum:

Except as otherwise provided in these Bylaws, the presence in person or by proxy of a majority of the Shareholders shall constitute a quorum at all meetings of the Association.

Section 10. Conduct of Meetings:

The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a Minute Book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. Robert's Rules of Order (current edition) shall govern the conduct of all meetings of the Association when not in conflict with these Bylaws. Copies of the Secretary's minutes will be posted in the Office and the Clubhouse.

ARTICLE III
BOARD OF DIRECTORS, NUMBER, POWERS, MEETINGS

Section 1. Governing Body.

The affairs of the Association shall be governed by a Board of Directors.

Section 2. Initial Directors:

The initial Directors shall be selected by the Association and shall serve at the pleasure of the Association.

Section 3. Number of Directors:

The number of Directors of the Association shall be fixed by resolution of the Board of Directors but in no event shall the number be less than five (5) nor more than nine (9). Any person nominated must own a Share or be the spouse of a Shareholder. Also, a share can be in two names but only one (1) vote per share.

Section 4. Nomination of Directors:

Nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairperson, who shall not be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee Chairperson shall be appointed by the President of the Board of Directors not less than thirty (30) days 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 such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but in no event less than the number of vacancies or terms to be filled.

Section 5. Election and Term of Office:

The first year of the Association, the Board of Directors will serve for one (1) year. At the first annual meeting of the membership all Directors shall be elected. The term of Directors at the first annual meeting will be three (3) members for a period of one (1) year; three (3) members for a period of two (2) years; and three (3) members for a period of three (3) years. At the expiration of the initial term of office of each respective member of the Board of Directors, a successor shall be elected to serve for a term of three (3) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

Section 6. Removal of Directors:

At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the Shareholders and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Shareholders shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 7. Vacancies:

Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum; and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed and until a successor shall be elected at the annual meeting of the Association, at which such Director's position would be filled in accordance with Section 4 of this Article III.

Section 8. Organization Meeting:

The first meeting of the members of the Board of Directors following the annual meeting shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

Section 9. Regular Meeting:

Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year during the summer season (June, July, August and September).

Section 10. Special Meetings:

Special meetings of the Board of Directors may be called by the President upon five (5) days' notice to each Director, given personally or by mail or telephone, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice upon the written request of at least two (2) Directors.

Section 11. Waiver of Notice:

Any Director may, at any time, in writing, waive notice of the meeting of the Board of Directors and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by her or him of the time, place and purpose of such meeting. If all Directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 12. Quorum of Board of Directors:

At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. Compensation:

No Director shall receive any compensation from the Association for acting as such unless approved by a majority vote of those present in person or by proxy at a regular or special meeting of the Association.

Section 14. Conduct of Meetings:

The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a Minute Book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Robert's Rules of Order (current edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with these Bylaws.

Section 15. Powers.

The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and as provided by law and may do all acts and things as are not by these Bylaws directed to be done and exercised exclusively by the members. The Board shall have the power to adopt rules and regulations deemed necessary and to impose sanctions for violation thereof, including, without limitation, fines which may be collected as provided in Article VIII for assessments and fines. Amenities (pool, clubhouse, shuffleboard) cannot be substantially changed unless approved by two-thirds (2/3) vote of the Shareholders.

Section 16. Action without a Formal Meeting:

Any action to be taken at a meeting of the Directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

ARTICLE IV
OFFICERS

Section 1. Officers:

The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. The Board of Directors may elect such other officers, including one or more Assistant Secretary and one or more Assistant Treasurer, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors.

Section 2. Election, Term of Office and Vacancies:

The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members as herein set forth in Article IV. A vacancy in any office arising because of death, resignation, removal, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal:

Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby, as so stated in Article III, Section 6.

Section 4. Powers and Duties:

The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resignation:

Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE V
COMMITTEES

Committees to perform such tasks and to serve for such periods as may be designated by resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall have a Chairperson approved by the Board of Directors and appointed by the President. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Committees will be:

1. Activities
2. Advertising / Website
3. Architectural
4. Insurance
5. Landscaping
 - a. Mowing
 - b. Trees
6. Maintenance
7. Preservation
8. Rules – Guidelines and Enforcement
9. Sunshine
10. Welcome

ARTICLE VI
MISCELLANEOUS

Section 1. Fiscal Year:

The initial fiscal year of the Association shall be set by resolution of the Board of Directors.

Section 2. Parliamentary Rules

Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with North Carolina law or these Bylaws.

Section 3. Conflicts:

If there are conflicts or inconsistencies between the provisions of North Carolina law and these Bylaws, the provisions of North Carolina law shall prevail.

Section 4. Books and Records

The books, records and papers of the Association shall at all times be subject to inspection by any member of the Association at the headquarters at regular office hours.

Section 5. Amendment

These Bylaws may be amended by the members of the Association at any regular or special meeting duly called for the purpose, by the affirmative vote of two-thirds (2/3) of the votes of a quorum of the Association. Any proposed amendments to the Bylaws, other than those proposed by the Board of Directors, shall be submitted for review to the rules committee, in accordance with the provisions of the Procedure Manual, accompanied by a petition signed by the holders of not less than 21 shares of the Corporation at least 90 days prior to any shareholders meeting at which such proposed amendments are to be voted upon. Notwithstanding the foregoing, those provisions of these Bylaws which are governed by said North Carolina law may not be amended, repealed or altered except as provided by applicable law.

ARTICLE VII
RULES & REGULATIONS

1. Shareholder rights and privileges:

A. Right to enter, occupy and enjoy your home at your designated 911 address as evidenced by Lease Agreement in the form attached hereto as Exhibit A and by reference made a part hereof.

B. Right to park one (1) or two (2) non-commercial vehicles. **Due to the potential for damage to utilities, there is no parking in grassy common areas.**

C. Full right to ingress and egress through the common areas.

2. Payment of maintenance is due on or before May 1st and November 1st each year. Rates are for one or two persons per unit. Owner / Residents are limited to two persons per site except for board approved exceptions during such period as an owner/resident may require around the clock home health care. A surcharge (*to be determined annually by the Board of Directors*) per month per person for owner/residents exceeding two per site shall apply.

3. Overnight guests' length of stay must not be longer than twenty-one (21) days for any one guest per 12-month period.

4. Pine Hill Park is for adult residents only, 55 years and older. When children are overnight guests, they must be supervised at all times, and homeowners whose guest they are, will be accountable.

5. No living unit is to be sub-let. Use by anyone other than registered owner/resident will NOT be permitted.
6. All home sales must be approved through the Association office. A transaction fee payable to Pine Hill Residence Inc. shall be charged on all sales. The amount of the transaction fee shall be determined by the Board annually. No **for sale or realtor's** signs may be displayed on or in your living unit or on common ground.
7. No garbage disposals are allowed due to clogging of septic system.
8. All construction or additions to living units or area around living units must be approved by the Architectural Committee. This includes utility-workshop, storage units, porches, steps, driveways, carports, awnings, exterior paint colors and lawn decorations. Outside TV antennas are NOT allowed. Satellite dishes are limited in size to those provided by The Dish Network and Direct TV.
9. **Planting AND removal of trees must be approved by the Landscape Committee.**
10. The Association is responsible for trimming and mowing all common property. Selective trimming of shrubs or trees is NOT the Association's responsibility.
11. The Association reserves the right to regulate what it considers excessive use of metered city water.
12. Proper attire is to be worn whenever outside or away from patio. No laundry or towels to be in public view. All residents are responsible for their own actions and those of their guests.
13. **No excessive noise from radios, TVs, hammering, sawing, vehicles with loud mufflers, etc. before 9:00 a.m. and after 7:00 p.m.**
14. NO SMOKING in the barn, near the open door of the barn, the office or in the Clubhouse, including bathrooms.
15. Only homeowners and their guests will be allowed to participate in recreational activities, including swimming pool. Young children are allowed with resident supervision, but must NOT be a nuisance to other guests and must be potty trained – no diapers.
16. No RV's, trailers, motor bikes, motorcycles, ATV's, or watercraft of any type (*boat, canoe, pontoon boat – powered or manual*) **are** allowed in the park, **except that small canoes and kayaks may be kept in the Park if stored in storage units or under the living unit. No unlicensed vehicles may be kept in the Park.**
17. When homeowner leaves park for extended periods of time, the premises must be left in a condition in accordance with the Home Inspection guidelines. Windows are to have regular curtains, drapes, or blinds (*no sheets, blankets or make shift arrangements*), and all garden decorations and yard items must be stored and secured against winds and storms.

18. DO NOT feed stray animals. Pets are allowed under the following conditions: a) all pets must be registered, b) pets must be on a leash, c) all waste must be picked up (if poop - then scoop), d) pets may not disturb other residents, e) two pets (under 20 pounds each when full grown) are permitted.

19. **All units and outbuilding** must maintain a clean exterior. Each home should be washed annually. Home inspections will be held annually. *(See Section 10 under "Home Inspections" of the Policy & Procedure Manual.)*

20. New units must be pre-approved by the Architectural Committee. No used units will be allowed. A complete plot plan must be pre-approved by the Board including unit, utility room, driveway, cover for same, porch (screened or closed), location of air conditioning power, water, sewer, etc. Unit must be professionally installed, including utilities and meet all requirements of Macon County and State of North Carolina.

21. All Shareholders are required to obtain and have in effect at all times Homeowners Insurance.

All requests for exceptions to these rules, must be submitted in writing to the Board of Directors for approval. Requests will be handled on an individual basis and NOT set a precedence for future requests.

ARTICLE VIII MAINTENANCE FEES, ASSESSMENTS, FINES

Section 1. Assessments:

The Board of Directors shall prepare, adopt and present a budget for the oncoming fiscal year at the annual shareholders meeting and shall have the power and responsibility to assess annual maintenance fees and special assessments as needed. If the need arises for a special assessment, the Board of Directors, by a simple majority, has the power to assess each Shareholder. The Board of Directors will be responsible for setting date due and action taken if not paid. Non-payment of maintenance fees or special assessments can and will be protected with liens, with interest and charges for the cost of processing said actions including attorney fees and eviction. The reason for this is to protect those Shareholders who keep current with their fees.

Section 2. Fines:

The Board of Directors shall enforce sanctions for the violation of covenants, rules and regulations. Upon reasonable notice of the violation to the shareholder involved, the Board shall hold a hearing to determine whether the violation exists and to determine remedial action together with any appropriate assessments or fines. These fines are limited to a maximum of one hundred fifty (\$150.00) dollars per day of violation.