

**BYLAWS
OF
TIDALWALK HOME OWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

The name of the Corporation is TIDALWALK HOME OWNERS ASSOCIATION, INC., hereinafter referred to as the “Association.” The principal office of the Association shall be initially located at c/o Mountain Real Estate Group, 13860 Ballantyne Corporate Place, Suite 130 Charlotte, NC 28277, but meeting of members and directors may be held at such places within the State of North Carolina, County of New Hanover, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

Section 1. “Association” shall mean and refer to TIDALWALK HOME OWNERS ASSOCIATION, INC. a North Carolina non-profit corporation, its successors and assigns.

Section 2. “Properties” shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions for TidalWalk recorded or to be recorded in connection therewith.

Section 3. “Common Areas” or “Common Elements” shall mean all real property, including easements, and improvements located thereon owned, or leased, by the Association for the common use and enjoyment of the Owners.

Section 4. “Unit” or “Lot” shall mean and refer to any numbered plot of land shown upon any recorded subdivision map of the properties with the exception of common areas and dedicated roadways.

Section 5. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any unit which is a part of the properties, including contract sellers, but excluding those having such interest as security for the performance of an obligation.

Section 6. “Declarant” shall mean and refer to MREC-TIDAL WALK, LLC, a Delaware limited liability company, its successors and assigns.

Section 7. “Declaration” shall mean and refer to that Declaration of Covenants, Conditions and Restrictions for TidalWalk, Phase I recorded October 10, 2008 in Book 5352 at

Page 1309, as amended by that certain Supplemental Declaration recorded in Book 5405 at Page 1669, and again by that certain First Amendment to Declaration recorded in Book 5578 at Page 1237, all of the Register of Deeds of New Hanover County, North Carolina, as the same may be further amended from time to time.

Section 8. "Member" shall mean and refer to those persons or entities entitled to membership with voting rights as provided in the Declaration and in Article III, Section 1 of these Bylaws.

ARTICLE III MEMBERSHIP AND PROPERTY RIGHTS

Section 1. Membership. The Association shall initially have two classes of members who meet the qualifications of and are approved as set forth in the Bylaws of the Association, as follows:

(a) Class A: Class A members shall be all Owners, with the exception of the Declarant. Class A members shall be entitled to one vote for each Unit owned. When more than one person holds an interest in any Unit all such persons shall be members. The vote for such Unit shall be exercised as the owners thereof determine, but in no event shall more than one vote be cast with respect to any Unit, and no fractional vote may be cast with respect to any Unit. In the event all Owners of a Unit are unable to agree upon the casting of a vote, the vote shall be deemed present for quorum purposes but shall not be considered for the purpose of voting upon any matter.

(b) Class B: The Class B member shall be the Declarant, and it shall be entitled to three (3) votes for each Unit planned in TidalWalk, in which it holds a fee or undivided fee interest, provided that the Class B membership shall cease and shall be converted to Class A membership upon the happening of either of the following events, whichever occurs earlier:

- (1) The Declarant's conveyance of eighty percent (80%) of the maximum number of Units planned for TidalWalk;
- (2) The twenty-fifth (25th) anniversary of recordation of this Declaration;

(3) Upon the voluntary surrender of the Class B membership by the holder thereof.

(c) Annexation: Declarant anticipates that it may, but is not necessarily obligated hereby to annex some or all of that property described on Exhibit "A" hereto into additional sections or phases of TidalWalk. For the purpose of determining voting rights hereunder, Tidalwalk shall be deemed to consist of 197 Units [constituting those additional sections or phases of TidalWalk described on Exhibit "A."]. If additional property and Units are added to Tidalwalk, the number of Units in the community shall increase. Declarant shall be entitled to three (3) votes for each such Unit for so long as the Class B Membership exists thereunder.

Section 2. Right to Create Additional Classes of Memberships. Declarant specifically reserves the right to create additional Classes of memberships to be composed of the following owners: (i) Owners of boat slips which Declarant may construct on the Property; and (ii) the owners of units in any multifamily structures that are annexed into TidalWalk. Any such new classes of memberships shall become effective at such time as Declarant or his designee has constructed and annexed any multifamily structure into TidalWalk and/or constructed and created boat slips (and has sold and conveyed the boat slips to one or more purchaser(s)). Such new classes of memberships shall only be effective upon amendment of the Declaration and/or these By-laws. Said Amendment shall set forth the manner in which the new classes of memberships shall be assessed and shall further set forth voting rights to be exercised by any new class of membership. Declarant is under no obligation to construct, create or sell any such boat slip, nor to develop and annex any additional property into TidalWalk.

Section 3. Property Rights. Each Member shall be entitled to the use and enjoyment of the Common Area as provided in the Declaration. Any Member may delegate his rights of enjoyment of the Common Area to the members of his family, his tenants or contract purchasers who reside on the property.

ARTICLE IV MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held on _____, 2011, and each subsequent regular annual meeting of the Members

shall be held on a date which is not a Sunday or a national holiday, during the month of April annually at a reasonable hour.

Section 2. Special Meetings. Special Meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the one-fourth (1/4) of the Members.

Section 3. Notice of Meeting. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of each notice, postage prepaid, at least 10 days before such meeting to each Member entitled to vote, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. Waiver by a Member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 4. Quorum. At any meeting of the members, members holding fifty-one percent (51%) of the eligible votes, present in person or represented by proxy, shall constitute a quorum of the membership for all purposes. If a quorum is not present, the meeting may be recessed from time-to-time by announcement from the Chair at the time such meeting was set and such shall be sufficient notice of the date, time and place of the recessed meeting. At such recessed meeting the quorum requirements shall be members holding twenty-six percent (26%) of the eligible votes, present in person by proxy. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Each proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her unit.

ARTICLE V
BOARD OF DIRECTORS, SELECTION, TERM OF OFFICE

Section 1. Number. The number of Directors constituting the initial Board of Directors shall be three, and the names and addresses of the persons who are to serve as Directors until their successors are elected and qualify, are:

<u>Name</u>	<u>Address</u>
SCOTT LAWRENCE	c/o Mountain Real Estate Group, LLC 13860 Ballantyne Corporate Place, Suite 130 Charlotte, NC 28277
RIC ROJAS	c/o LStar Management, LLC 410 Glenwood Ave. Suite 130 Raleigh, NC 27603
KEITH ALEXANDER	c/o Mountain Real Estate Group, LLC 13860 Ballantyne Corporate Place, Suite 130 Charlotte, NC 28277

At the first annual meeting after the Class B Membership rights have expired, the minimum number of Directors shall be 5. The members of the Board of Directors need not be Members of the Association.

Section 2. Term of Office. Until the first annual meeting after the Class B Membership rights have expired, the Directors shall be elected annually. However, any Directors named above shall continue to serve beyond their respective one year term unless and until they resign or their successor is elected and qualified. At the first annual meeting after the Class B Membership rights have expired, the Members shall elect two Directors for a term of three years, two Directors for a term of two years, and one Director for a term of one year or until the respective successors are properly chosen. Thereafter all terms shall be three (3) years to provide for staggered terms.

Section 3. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be elected by the remaining members of the board, and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No Director shall receive compensation for any service he may render to the Association as a Director. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations for election to the Board may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each 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 of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII MEETINGS OF DIRECTORS

Section 1. Regular Meeting. Regular meetings of the Board of Directors shall be held quarterly, or at such other periodic intervals as may be established by the Board of Directors from time to time, without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said 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.

Section 2. Special Meeting. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. 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 an act of the Board.

ARTICLE VIII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Areas, and the personal conduct of the Members, and their guests thereon;

(b) suspend the voting rights and any other rights of a Member during any period in which such member shall be in default in the payment of any assessment, dues or charge levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association, and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

(f) employ attorneys to represent the Association when deemed necessary;

(g) take such actions as are necessary or convenient to perform the duties as set forth below; and,

(h) do such other things authorized by the Act, and do such other things which organizations of this nature are authorized to do.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members;
- (b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (1) fix the amount of the annual assessment against each unit at least thirty (30) days in advance of each annual assessment period;
 - (2) send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same;
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability insurance covering the Association, its directors, officers, agents and employees and to procure and maintain adequate hazard insurance on any real and personal property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (g) cause the Common Areas to be maintained.

ARTICLE IX OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the offices except the offices of Secretary and Treasurer and the special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that order and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments; and shall co-sign all checks and promissory notes.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of his absence, disability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of all of the Members; shall keep the corporate seal of the Association and affix it on all papers requiring said seal; shall serve notice of meetings to the Board and the Association together with their addresses; and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall authorize payment of books of account; and shall prepare an annual budget and a statement of income expenditures to be presented to the membership at its annual meeting and deliver a copy of each to the Members.

ARTICLE X COMMITTEES

The Board of Directors shall appoint an Architectural Control Committee as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE XI BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and the Bylaws shall be maintained at the office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XII ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of Eighteen percent (18%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property and interest costs and all attorney's fees of any such action shall be added to the amount of the assessments. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or abandonment of his unit.

**ARTICLE XIII
CORPORATE SEAL**

The Association may adopt a corporate seal, but is not required to have one. If a seal is adopted as the official seal of the corporation, it shall be in circular form having within its circumference the words: TidalWalk Home Owners Association, Inc., New Hanover County, North Carolina.

**ARTICLE XIV
GENERAL AND MISCELLANEOUS PROVISIONS**

Section 1. These Bylaws may be amended, at any time by the Declarant prior to the expiration of the Class B Membership rights set forth above; and thereafter, at regular or special meeting of the Members, by a vote of three-fourths (3/4) of all Members.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 3. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am duly elected and acting Secretary of TidalWalk Home Owners Association, Inc., a North Carolina non-profit corporation; and

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at the initial meeting of the Board of Directors thereof, held on the ___th day of October, 2008.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 5th day of January, 2011.



President

4.15.11

**AMENDMENT TO THE BYLAWS
OF
TIDALWALK HOME OWNERS ASSOCIATION, INC.**

This Amendment to the Bylaws of Tidalwalk Home Owners Association, Inc. ("Amendment") is made and entered into as of this 23rd day of March, 2017 by Tidalwalk Home Owners Association, Inc., a North Carolina nonprofit corporation ("Association").

WITNESSETH:

A. The Association is the property owners' association charged with the responsibility for the operation of that certain real property known as Tidalwalk located in New Hanover County, North Carolina, and described in a Declaration recorded in Book 5352, Page 1309, New Hanover County Register of Deeds, as have been previously amended from time to time, including, but not limited to, the addition of real property subject to said Declaration, and Bylaws adopted in October, 2008 and executed the 15th day of April, 2011.

B. Said Bylaws provide in Article XIV that the Bylaws can be amended at any time by the Declarant prior to the expiration of the Class B Membership rights set forth in the Bylaws.

C. The Declarant's amendments set forth below were made prior to the expiration of the Class B Membership rights as defined in the original Bylaws and have been properly adopted and approved as required by the Bylaws and Articles of Incorporation, as applicable.

D. That the President of the Association has been duly authorized and empowered to execute this Amendment.

Now therefore, in consideration of the recitals set forth above, and as the act and deed of the Association and Board of Directors, the Bylaws are hereby amended and modified as set forth below:

By deleting Article III, Section 1(b) (1), (2) and (3) in their entirety and substituting the following:

(1) October 18, 2018; or

(2) Upon the voluntary surrender of the Class B membership by the Declarant.

By deleting the first sentence of Article V, Section 1, Number, in its entirety and substituting the following:

Section 1. Number. The number of Directors constituting the initial Board of Directors shall be the, and the names and addresses of the persons who are to initially serve as Directors are:

By deleting Article V, Section 2, Term of Office, in its entirety and substituting the following:

Section 2. Term of Office. Directors shall be appointed by the Declarant, or its successors, until the first annual meeting after the Class B Membership rights have expired. At the first annual meeting after the Class B Membership rights have expired, the Members shall elect two Directors for a term of three years, two Directors for a term of two years, and one Director for a term of one year or until the respective successors are properly chosen. Thereafter all terms shall be three (3) years to provide for staggered terms.

By deleting Article V, Section 3, Removal, in its entirety and substituting the following:

Section 3. Removal. After the expiration of the Class B Membership rights, any Director may be removed from the Board with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of a Director, his successor shall be elected by the remaining members of the board, and shall serve for the unexpired term of his predecessor.


END OF AMENDMENTS

Except as amended, the Bylaws, as may have been previously amended, shall remain in full force and effect.

The undersigned, being the President of Tidalwalk Home Owners Association, Inc., does, by his execution hereof, certify that this Amendment was duly adopted by the Declarant pursuant to Article XIV, was duly adopted by affirmative vote of the Board of Directors, and that all the procedures, steps and requirements necessary to amend said Bylaws have been complied with, the day and year first above written.

TIDALWALK HOME OWNERS ASSOCIATION,
INC.

By:



VICE President
3-24-17