

**BY-LAWS
OF
OLIVER'S LANDING OWNER'S ASSOCIATION, INC.**

**ARTICLE 1
NAME AND LOCATION**

The name of the corporation is the Oliver's Landing Owners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be located at Taylorsville, Alexander County, North Carolina but meetings of members and directors may be held at such places within the State of North Carolina, County of Alexander, as may be designated by the board of directors.

**ARTICLE II
DEFINITIONS**

Unless the context denotes otherwise the following terms are defined as follows:

Section 1. "Association" shall mean and refer to Oliver's Landing Owners Association, Inc., a North Carolina non-profit corporation, its successors and assigns.

Section 2. "Common Area" shall mean the lots used for recreational purposes including Lots Nos. 31, 32, and 33 and all roads and streets shown on the recorded plats and not otherwise maintained by public authority. Also included are all street lights in non-publicly maintained streets and roadways located on the real property owned by Developer by virtue of the Deed recorded in Book 279 at Page 562, Alexander County Registry, or owned by OLOA.

Section 3. "Developer" shall mean and refer to Larrick Development, its predecessor or its successors and assigns of all portions of the lands for future development.

Section 4. "Development" shall mean and refer to Oliver's Landing, a development proposed to be developed or in place on the Properties by the Developer.

Section 5. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, appearing on the Maps with the exception of the Common Areas. The term "Improved Lot" shall mean any Lot upon which has been constructed any house or other dwelling and for which a Certificate of Occupancy has been issued by the appropriate governmental authority. The term "Unimproved Lot" shall refer to any Lot which is not an Improved Lot. An Unimproved Lot or Lots adjoining an Improved Lot and owned by the same party shall not be considered one Lot, but shall be considered two or more Lots provided such Lots remain lots of record which can be conveyed separately as independent building lots.

Section 6. “Maps” shall mean and refer to the maps of the Properties as recorded (either now or hereafter) in the Alexander County, North Carolina, Public Registry.

Section 7. “Member” shall mean and refer to all Lot Owners, and to every other person or entity who holds membership in the Association.

Section 8. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot including the Developer if it owns any Lot and including contract sellers, but excluding those having such interest merely as security for the performance of any obligation.

Section 9. “Properties” shall mean and refer to the properties which are now or may hereafter be made subject to the Declaration, as amended from time to time, and recorded in the Alexander County Registry.

ARTICLE III MEMBERSHIP

Section 1. Membership. Each person or entity who is a record owner of a fee or undivided fee interest in any Lot, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which at any time may become subject to assessment by the Association. Ownership of the Lot shall be the sole qualification for membership.

Section 2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use of the recreational facilities of the member may be suspended by the board of directors until the assessment has been paid. Such rights of a member may also be suspended, after notice and hearing, for a period not to exceed 180 days, for violation of any rules and regulations established by the board of directors governing the use of, the common properties and facilities.

ARTICLE IV PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Each member shall be entitled to the use and enjoyment of the common properties and facilities. Any member may delegate his rights of enjoyment of the common properties and facilities to the members of his family, his tenants or contract purchasers, who reside on the property. The member shall notify the secretary in writing of the name of any delegate. The rights and privileges of the delegate are subject to suspension to the same extent as those of the member.

ARTICLE V BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a board of seven (7) directors, who shall be members of the Association.

Section 2. Election: At the first annual meeting the members shall elect two (2) directors for a term of one (1) year; two (2) directors for a term of two (2) years; two (2) directors for a term of three (3) years; and at each annual meeting thereafter until 2004 the members shall elect two (2) directors for a term of three (3) years. Beginning in 2005, a three (3) year cycle of directors' elections will begin. Three (3) directors will be elected for a term of three (3) years the first year of the cycle and, at the annual meeting the following two (2) years two (2) directors will be elected for a term of three (3) years.

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 selected 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 a service he may render to the Association. 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 MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the board of directors shall be held semi-annually without notice, at a 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 Meetings. 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 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 the act of the board.

ARTICLE VII NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the board of directors shall be made by a nominating committee. Nominations may also be made from the floor at the annual meeting if the nominating committee fails to nominate enough persons to fill all the directors' vacancies. 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 of the members, to serve from the close of such annual meeting until the close of the next annual meeting and the 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. The nominations shall be made from among members.

Section 2. Election. Election to the board of directors shall be by secret written ballot. However, if a person is nominated from the floor at the annual meeting as provided in Section 1, then that person or persons may be elected by oral or written vote. At the 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 VIII POWER 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 properties and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) 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 By-Laws, the articles of incorporation, or the declaration;
- (c) 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; and
- (d) Employ a manager, and independent contractor, or other employees as they deem necessary, and to prescribe their duties.
- (e) Follow a financial policy in regard to capital expenditures which is restricted. In a given fiscal year, the Board of Directors has the authority to commit no greater than a total of \$3,000 of Association funds for the purchase and acquisition of durable goods not provided for in the approved budget as a specific item, without the approval of the Association members. This limitation does not apply to repair and maintenance expenditures for existing Association infrastructure.

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 at any special meeting when the statement is requested in writing by one-fourth of the members who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided herein, and in the declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, as hereinafter provided in Article XII, and

(2) send written notice of each assessment to every owner subject thereto at least fifteen (15) days in advance of each annual assessment period;

(d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate stating 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, it shall be conclusive evidence of such payment;

(e) Procure and maintain adequate liability and hazard insurance on 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 and facilities to be maintained.

ARTICLE IX COMMITTEES

Section 1. The Association shall appoint a nominating committee, as provided in these By-Laws. In addition, the board of directors shall appoint other committees as deemed appropriate in carrying out its purposes, such as:

(a) A recreation committee which shall advise the board of directors on all matters pertaining to the recreational program and activities of the Association and shall perform any other functions as the board, in its discretion, determines:

(b) A maintenance committee which shall advise the board of directors on all matters pertaining to the maintenance, repair or improvement of the properties, and shall perform any other functions as the board, in its discretion, determines;

(c) A publicity committee which shall inform the members of all activities and functions of the Association, and shall, after consulting with the board of directors, make any public releases and announcements as are in the best interest of the Association; and

(d) A finance committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, as provided in Article XI, Section 8(d). The treasurer shall be an ex officio member of the committee.

Section 2. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of the complaints as it deems appropriate or refer them to any other committee, director, or officer of the Association as is further concerned with the matter presented.

ARTICLE X MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held on the last Thursday of February, 1996 and each subsequent regular annual meeting of the members shall be held on the last Thursday of the same month of each year thereafter, at the hour of 6:00 P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

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 members who are entitled to vote one-fourth of all of the votes of the entire membership.

Section 3. Notice of Meetings. 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 the notice, postage prepaid, not less than ten (10) nor more than fifty (50) days before the meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by the member to the Association for the purpose of notice. The notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth of the votes of each call of membership shall constitute a quorum for any action except as otherwise provided in the articles of incorporation, the declaration, or these By-Laws. If however, a quorum shall not be present or represented

at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

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. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE XI 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 create from time to time by resolution.

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 such person shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The board may elect other officers as the affairs of the Association may require, each of whom shall hold office at the pleasure of the board, have the authority, and perform any duties as the board may determine from time to time.

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. The resignation shall take effect on the date of receipt of the 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.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to the 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 other offices except in the case of special offices created pursuant to Section 4 of this Article XI.

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; see that orders and resolutions of the board are carried out; sign all leases, mortgages, deeds and other written instruments and cosign 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, inability or refusal to act, and exercise and discharge any 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 the members; keep the corporate seal of the Association and affix it on all papers requiring the seal; serve notice of meetings of the board and of the members; keep appropriate current records showing the members of the association together with their addresses, and perform any 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 disburse funds as directed by resolution of the board of directors; sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE XII COVENANTS FOR MAINTENANCE AND SECURITY ASSESSMENTS

Section 1. Responsibility for Maintenance and Security Services. Prior to the conveyance of the Common Areas to the Association as hereinafter provided, the Developer shall be responsible for providing the services set forth in Section 2 below and for collecting the assessments set forth in this Article. Upon the conveyance of the Common Areas to the Association, the Association shall thereafter provide the services set forth in Section 2 and collect the assessments set forth in this Article.

Section 2. Purpose of Annual Assessment. The annual assessments levied by this Association shall be used as follows:

(a) to maintain and repair all roads constructed within the Development to the standard as such roads were in at the time of their completion and to maintain and repair all street lights installed along such roads until such time as such roads shall become publicly maintained;

(b) to maintain all landscaping in the Common Areas in a manner consistent with the overall appearance of the Development;

(c) to provide such private security services as may be deemed reasonably necessary by this Association for the protection of the Common Areas and all Lots from theft, vandalism, fire and damage from animals;

(d) to provide through lease or otherwise recreational facilities;

(e) to pay all ad valorem taxes levied against the Common Areas and any property owned by the Association;

(f) to pay the premiums on all hazard insurance carried by the owner of the Common Areas and all public liability insurance carried by the Association pursuant to its By-Laws;

(g) to pay all legal, accounting and other professional fees incurred by the Developer or the Association in carrying out the duties as set forth herein or in the By-Laws.

(h) to operate and maintain the sewer system serving all of the Oliver's Landing community until such time as the operations of the sewer system shall be taken over and assumed by public authority. Such sewer system shall be considered common area for the benefit of the members and others, providing through membership or otherwise, recreational facilities for the benefit of Oliver's Landing. All unsold sewer taps in Oliver's Landing, Phase II, are owned by Larrick Development which shall be reimbursed the sum of FOUR HUNDRED (400.00) DOLLARS per tap as each of said taps is sold.

Section 3. Creation of the Lien and Personal Obligation for Assessments: The Developer, for each Lot hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the annual assessments in such amounts necessary so as to pay for the services set forth in Section 2 of this Article and charges and special assessments for capital improvements, established as hereinafter provided. Any such assessment or charge, together with interest, costs, and reasonable attorney's fees, shall be a charge and continuing lien upon the Lot against which each such assessment charge is made. Each such assessment or charge, together with the interest, costs and reasonable attorney's fees, shall also be the personal obligation of the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments or charges shall not pass to an Owner's successors in title unless expressly assumed.

Section 4. Special Assessments for Capital Improvements and Emergencies. In addition to the annual assessments authorized above, the Developer, or after conveyance of the Common Areas, the Association, may levy in any year, a special assessment applicable to that year, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Areas, including fixtures and personal property related thereto, and the common roadways serving the Development or for the purpose of meeting any

unanticipated expenses related to the Common Areas. However, such special assessments may be levied only after obtaining the written consent of the Owners of at least 51% of the aggregate number of Lots then subject to the Declaration.

Section 5. Assessment Rate.

(a) Both annual and special assessments shall be fixed at a uniform rate for all unimproved Lots except those held by the Developer which shall be free of assessments. Both annual and special assessments shall be fixed at a uniform rate for all improved Lots by whomsoever owned.

(b) The amount of the aggregate annual assessments for each year shall be the amount necessary to fund the expenses described in Section 2 of this Article. During the first year after the commencement of the annual assessment against the first Lot for which such assessment is made as provided in Section 6 of this Article, the maximum annual assessment shall be \$100.00 per Unimproved Lot and \$200.00 per Improved Lot. For each calendar year thereafter, the maximum annual assessment may be increased by up to 20% of the prior year's maximum annual assessment by the appropriate assessing authority as set forth in Section 1 of this Article. If the annual assessment is not increased by the maximum amount permitted, the difference between the actual increase made and the maximum increase permitted for that year shall be computed and the assessment may be increased by that amount in a future year by the appropriate assessing authority as set forth in Section 1 of this Article.

(c) Any increase in the annual assessment in excess of that permitted in subsection (b) of this Section may be levied only after obtaining the written consent of the Owners of at least fifty-one (51%) percent of the aggregate number of Lots then subject to the Declaration, exclusive of any Lots owned by the Developer.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence on January 1, 1996 for each Lot. The first annual assessment for each Lot shall be adjusted according to the number of months remaining in the calendar year after the conveyance of fee title from the Developer to another party if such conveyance occurs after January 1, 1996. The Developer or, after the conveyance of the Common Areas, the Board of Directors of the Association shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner. The due dates shall be established in such written notice. Developer has made assessments prior to January 1, 1996 pursuant to the provisions of the Declaration.

Section 7. Effect of Nonpayment of Assessment: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen (18%) percent per annum. In addition to such interest charge, the delinquent Lot Owner shall also pay such late charge as may have been

therefore established by the Developer or after the conveyance of the Common Areas, the Board of Directors of the Association, to defray the costs arising because of late payment. The Developer or after the conveyance of the Common Areas, the Association, may bring an action at law against the delinquent Owner or foreclose the lien against the Lot. All interest, costs and reasonable attorney's fees of such actions or foreclosures shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by not using the Common Area or abandoning his Lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any first mortgage or deed of trust on a Lot or any mortgage or deed of trust to the Developer. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer; provided, however, that the Developer or, after the conveyance of the Common Areas, the Board of Directors of the Association may in its sole discretion, determine such unpaid assessments to be an annual or a special assessment, as applicable, collectable pro rata from all Lot Owner's including the foreclosure sale purchaser. Such pro rata portions are payable by all Lot Owners notwithstanding the fact that such pro rata portions may cause the annual assessment to be in excess of the maximum permitted under Section 5 of this Article. No sale or transfer shall relieve the purchaser of such Lot from liability for any assessments thereafter becoming due from the lien thereof, but the lien provided for herein shall continue to be subordinate to the lien of any mortgage or deed of trust as above provided.

ARTICLE XIII 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 By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV CORPORATE SEAL

The Board of Directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation.

ARTICLE XV AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

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

**ARTICLE XVI
MISCELLANEOUS**

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

IN WITNESS WHEREOF, we, being all of the directors of the Oliver's Landing Owners Association, Inc., have hereunto set our hands this **25th day of February, 2010.**

OLIVER'S LANDING OWNERS ASSOCIATION, INC.

By: /S/ Gaylen W. Allsop (Seal)
Gaylen W. Allsop, President

By: /S/ Dale Mauer (Seal)
Dale Mauer, Vice President

By: /S/ Dru Deuel (Seal)
Dru Deuel, Treasurer

By: /S/ Ellen Tierney (Seal)
Ellen Tierney, Member

By: /S/ Rick Hamby (Seal)
Rick Hamby, Member

By: /S/ Karen Hewitt (Seal)
Karen Hewitt, Secretary

By: /S/ John Pochodylo (Seal)
John Pochodylo, Member

Note: After due notice, and with a quorum present, these By-Laws were amended on February 25, 2010, at the Annual Meeting of the Oliver's Landing Owner's Association, Inc., by a 57% majority vote, with 213 yes votes out of a possible 372.5 votes available. The written ballots voting to amend these By-Laws are among the official records of the Association.