

BY-LAWS  
OF  
WATER POINTE I PROPERTY OWNERS ASSOCIATION, INC.

I. IDENTITY

These are the By-Laws of the Water Pointe I Property Owners Association, Inc., hereinafter called the "Association", a non-profit corporation incorporated under Chapter 31 of the Code of Laws of South Carolina 1978, which was organized pursuant to Chapter 27 of the Code of Laws of South Carolina 1976, hereinafter referred to as the "Horizontal Property Act", for the purpose of administering WATER POINTE, INC. PROPERTY REGIME, hereinafter called the "Regime" established pursuant to a Master Deed recorded in Deed Book 869 at Page 803 in the Office of the Clerk of Court for Horry County, South Carolina, hereinafter called the "Master Deed". The Regime is located upon the following lands:

(Please see attached legal description; Exhibit "A")

- A. The office of the Association shall be at 4705-D Oleander Drive, Myrtle Beach, South Carolina, 29577.
- B. The fiscal year of the Association shall be the calendar year.

II. MEMBERS MEETINGS

- A. The annual members' meeting shall be held at the office of the Association at 10 AM, Eastern Standard Time, on the 4th Saturday in October of each year for the purpose of electing directors and of transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour of the next day. The annual meeting may be waived by a unanimous agreement of the members in writing which provides for the naming of directors not otherwise designated.
- B. Special members meeting shall be held whenever called by the President or the Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-fourth (1/4) of the votes of the entire membership.
- C. Notice of all members meetings stating the time and place and the objects for which the meeting is called shall be given to the President or the Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of the meeting may be waived before or after the meetings.
- D. A quorum at members' meetings shall consist of persons entitled to cast seventy-five (75%) percent of the votes of the Association. The acts approved by a majority of fifty-one (51%) percent of the votes of the Association at a meeting in which a quorum is present shall constitute the acts of the members, except where approval by a greater number of members is required by the Horizontal Property Act, the Master Deed, the Articles of Incorporation, or these By-laws. The joinder of a member in this action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum.

E. Proxies. Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote 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 or any adjournment thereof.

F. Adjourned Meetings. If any meeting of members cannot be organized because the quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time, until a quorum is present.

G. At member's meetings, the President shall preside or in his absence, the membership shall select a chairman.

H. The order of business at annual members' meetings, and, as far as practical at all other members' meetings, shall be:

1. Calling of the roll and certifying of proxies.
2. Proof of notice of meeting or waiver of notice.
3. Reading of the minutes.
4. Reports of Officers.
5. Reports of Committees.
6. Appointment by President or Chairman of Inspectors of Election.
7. Election of Directors.
8. Unfinished business.
9. New business.
10. Adjournment.

### III. BOARD OF DIRECTORS

A. Membership. The affairs of the Association shall be managed by a Board of Directors, hereinafter referred to as the "Board". until the first election of directors, the Board shall consist of three members appointed by the developer, who need not be owners of Units in the Regime, and thereafter the Board shall be comprised of five directors, all of whom must be owners of Units in the Regime.

B. The directors shall be elected by ballot (unless dispensed by unanimous consent) and by a plurality of the votes cast at the annual meeting of the members of the Association. Each person shall be entitled to vote for as many nominees as there are vacancies to be filled.

C. Except as to vacancies provided by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.

D. Any director may be removed by concurrence of two-thirds (2/3) of the members of the Association at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

E. The term of each director's service shall extend until the next annual meeting of the members and thereafter until the successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

F. The organization meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the

meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

G. 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. Notice of a regular meeting shall be given to each director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

R. Special meetings of the directors may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

I. Waiver of Notice. Any director may waive notice of the meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

J. A quorum and directors' meeting shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by the greater number of directors is required by the Horizontal Property Act, Articles of Incorporation, Master Deed, or these By-Laws.

K. Adjourned meetings. If at any meeting of the Board of directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

L. Joinder in meeting by approval in minutes. 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.

M. The presiding officer of the directors' meeting shall be the Chairman of the Board if such officer has been elected; and if none, then the president shall preside. In the absence of the presiding officer the directors shall designate one of their number to preside.

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

#### IV. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Horizontal Property Act, the Master Deed, and these By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by owners when such is specifically required. Such powers and duties of the Board of Directors shall include but shall not be limited to the following, subject, however, to the provisions of the Master Deed and these By-laws:

- A. To make and collect assessments against members to defray the costs and expenses of the Regime.
- B. To use the proceeds of assessments in the exercise of the powers and duties.
- C. The maintenance, repair or replacement in operation of the Regime.
- D. The purchase of insurance on the Regime property and insurance for the protection of the Association and its members.

the further improvement of the property.

- F. To make and amend reasonable regulations respecting the use of the property in the Regime in the manner provided for by the Master Deed.
- G. To enforce by legal means the provisions of the Horizontal Property Act, the Master Deed, the By-Laws, and the regulations for the use of the property in the Regime.
- H. To contract for the management of the Regime and delegate to the contractor all powers and duties of the Association except such as are specifically required by the Master Deed to have approval of the Board of Directors or the membership of the Association.
- I. To employ personnel to perform the services required for proper operation of the condominium.
- J. To foreclose any lien for unpaid assessments in the same manner as mortgages.

#### V. OFFICERS

A. The executive officer of the Association shall be a president, who shall be a director, a vice president, who shall be a director, a treasurer, who shall be a director, a secretary, who shall be a director, and assistant secretary, who shall be a director, all of whom shall be elected annually by the Board of Directors and who may be preemptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the president shall not also be the secretary or the assistant secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

B. The president shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an Association, including but not limited to the power to appoint committees from among the members from time to time, and he may at his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

C. The vice president shall in the absence or disability of the president exercise the powers and perform the duties of the president. He shall also generally assist the president and exercise such other powers and perform such other duties as shall be described by the directors.

D. The secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall keep the records of the Association, except those of the treasurer, and shall perform all other duties instant to the office of a secretary of an Association and as may be required by the directors or the president. The assistant secretary shall perform the duties of the secretary when the secretary is absent.

E. The treasurer shall have custody of all property of the Association, including the funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties instant with the office of treasurer.

F. The compensation of all officers and employees of the Association shall be fixed by the directors. This provision shall not preclude the Board of Directors from employing a director as an employee of the Association nor preclude the contracting with director for the managing of the condominium.

## VI. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Master Deed shall be supplemented by the following provisions:

A. Accounts. The funds and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(1) Current expense, which shall include all funds and expenditures to be made within the year for which funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or to additional improvements.

(2) General Operating Reserve, which shall include funds for maintenance items which occur less frequently than annually and to provide financial stability during periods of special stress.

(3) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

B. Budget. The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practice as follows:

(1) Current expense.

(2) General Operating Reserve.

(3) Reserve for Replacement.

(4) Additional Improvements. Provided, however, that no item for this account shall be budgeted without the approval of the owners in the manner elsewhere provided for alteration or further improvement of the common elements.

Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1, preceding the year for which the budget is made. If the budget is subsequently amended, a copy of the amended budget shall be furnished to each member.

C. Assessments. Assessments against the Unit owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 1, preceding the year for which the assessments are made. Such assessment shall be due in equal monthly or quarterly assessments as the Board of Directors may determine. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and semi-annual payments thereon shall be due upon each installment payment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments therefore may be amended at any time by the Board of Directors. The unpaid assessment for the remaining portion of the calendar year for which the amended assessment is made shall be prorated equally upon the remaining payments for the year. The first assessment shall be determined by the Board of Directors of the Association.

D. Acceleration of assessment and installments upon default. If a Unit owner shall be in default in the payment of assessment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice thereof to the Unit owner, and the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than ten (10) days after the delivery thereof to the

Unit owner, or not less than twenty (20) days after mailing of such notice to him by registered or certified mail, whichever first shall occur.

E. Assessments for emergencies. Assessments for common expenses of emergencies which cannot be paid from the annual assessment for common expenses shall be made only after notice of the need therefore to the apartment owner's concern. After such notice and upon approval in writing by persons entitled to cast a majority of the votes of the Association, the assessment shall become effective, and it shall be due after thirty (30) days notice thereof in such manner as the Board of Directors of the Association may require.

F. Liability for Assessments. A co-owner shall be liable for all assessments coming due while he, she or it is the owner of a Unit. The Association shall provide for the issuance, and shall issue to every prospective purchaser, or mortgagee, upon his, her or its request, a statement of the status of the assessment account of the seller or mortgagor. Such a certificate made by the duly authorized representative of the Association as to the status of a co-owner's assessment account shall limit the liability of any person for whom it is made, other than the co-owner.

G. Collection of Assessments.

(1) Interest; application of payments. Assessments and installments thereon not paid when due shall bear interest at the rate of eight (8%) percent per annum from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due.

(2) Lien. All assessments against any Unit owner shall constitute a lien against the owner's Unit in favor of the Association, as provided by the Horizontal Property Act, which lien shall become effective when a notice, claiming such lien, has been duly recorded by the Association in the Office of the Clerk of Court for Horry County, South Carolina. Such claim of lien shall state the description of the Unit, the name of the record owner, and the amount due and the date when due. Such claim of lien shall be signed and verified by an officer or agent of the Association prior to its recordation; and no such claim of lien shall be made by the Association unless the assessment, charge or expense, giving rise to the lien, remains unpaid for more than 10 (ten) days after same becomes due. Any such lien may be foreclosed by the Association in the manner provided by law for the foreclosure of real estate mortgages. The lien shall secure the payments of all assessments as described in said claim of lien and, in addition thereto, shall secure the payment of subsequent assessments which come due after the filing of the claim of lien and prior to the satisfaction of such lien by foreclosure or otherwise, including interest thereon at the rate of eight (8%) percent per annum together with all costs and reasonable attorneys' fees incurred by the Association incident to the collection of such assessments or the enforcement of such lien. The right of the Association to foreclose a lien as aforesaid shall be in addition to any other remedy, at law or in equity, which may be available to it for collection of the monthly charges and expenses, including the right to proceed personally against delinquent owner for the recovery of a judgment "in personam". Any personal judgment against any such delinquent owner may include all unpaid subsequent assessments which come due after the institution of such suit and prior to such Order of Judgment, including interest thereon at the rate of twelve (12%) percent per annum, together with all costs and reasonable attorney's fees incurred by the Association incident to the collection of such assessments.

H. The depository of the Association shall be such bank or banks as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such account shall be only by check signed by such persons as are authorized by the directors.

I. An audit of the accounts of the Association shall be made annually by a certified public accountant, and a copy of the report shall be furnished to each member not later than April 1 of the year following the year for which the report is made.

VII. NON-LIABILITY AND INDEMNITY  
OF DIRECTORS AND OFFICERS

A. No Director or officer of the Association shall be liable for acts, defaults, or neglects of any other Director or officer or member or for any loss sustained by the Association or any co-owner, unless the same shall have resulted from his own willful or negligent act or omission.

B. Every Director, officer and agent of the Association shall be indemnified by the Association against all reasonable costs, expenses and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with or resulting from any claim, action, suit, procedure, investigation, or inquiry as to whatever nature in which he may be involved as a party or otherwise by reason of his being or having been a Director, officer or agent of the Association whether or not he continues to be such Director, officer or agent at the time of incurring or imposition of such costs, expenses, or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit, proceeding, investigation, or inquiry to be liable for willful misconduct or neglect in the performance of his duties. As to whether a Director, officer or agent is liable by reason of willful misconduct or neglect in the performance of his duties, in the absence of such final adjudication of the existence of such liability, the Association and each member thereof and officer or agent thereunder may conclusively rely on an opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all other rights to which such person may be entitled as a matter of law, and such shall inure to the benefit of the legal representative of such person.

VIII. PARLIAMENTARY RULES

Roberts' Rules of Order, (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Master Deed or these By-Laws.

IX. AMENDMENT

A. These By-Laws may be amended in the following manner:

(1) Notice of the subject of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

(2) No amendment shall be effective unless it is approved by members representing two thirds (2/3) of the total value of the property in the Regime as shown in the Master Deed.

B. The Amendment shall be attached to a Certificate executed by the officers of the Association, certifying that the amendment was duly adopted and shall be recorded in the Office of the Clerk of Court for Horry County, South Carolina.

I. CONFLICTS

In the event of any conflicts between the provisions of the Master Deed or the Horizontal Property Act and the provisions of these By-Laws, the provisions of the Master Deed or the Act shall control.

The foregoing were adopted as the By-Laws of Water Pointe I Property Owners Association, Inc. at the first meeting of the Board of Directors on May 11, 1984.

K. J. Chappell  
Secretary

15/ Max Garrett  
Director

15/ Richard Ross  
Director

15/ Don Smith  
Director



J Michael Pate personally appears before me, and, after being duly sworn, deposes and says: That he is the

General Manager of the Sun News

a newspaper, published at Myrtle Beach, South Carolina

in the County and State aforesaid; that the Notice

was printed and published in said newspaper, for and during the weekly publication, and

appeared in the issues of Sun News

days of 18 day of April A. D. 1984

*J Michael Pate*

signed to and subscribed before me this

18 day of April

A. D. 1984

*James Brunkhoff*  
Notary Public for South Carolina

**NOTICE OF INCORPORATION**  
Please take notice that not less than thirty (30) days from the date of the publication of a this notice, the undersigned shall apply to the Secretary of State of the State of South Carolina for a Charter for a nonprofit corporation to be known as West Point Property Owners Association. Charles F. Christopher, Jr., 405-O Gloucester Drive, Myrtle Beach, South Carolina. William K. Kunkling, 602 Oceanic Drive, Myrtle Beach, South Carolina. April 18, 1984

834