

**By-Laws
Of
South Pointe Homeowners' Association**

Purpose

It is the desire of the members to have orderly and defined management of the South Pointe Homeowners' Association, including commons areas and roads.

Definitions:

Association shall mean and refer to South Pointe Homeowners' Association, its successors and assigns.

Board shall mean and refer to the Association officers and directors.

Properties shall mean and refer to that certain real property described in the covenants and the roads within South Pointe subdivision.

Commons Areas shall mean all real property owned by the Association for the use of the Owners.

Lot shall mean and refer to any parcel of land shown upon any recorded subdivision map of the properties with exception of the commons areas.

Owner shall mean and refer to the record owners whether one or more persons or entities, of the fee simple title to any lot which is a part of the properties.

Covenants shall mean and refer to conditions and restrictions for South Pointe subdivision recorded in the Probate Office of Winston County, Alabama.

Member shall mean and refer to those persons entitled to membership in the Association as provided in the covenants and by-laws.

Article I:**Name**

This organization shall be known as South Pointe Homeowners' Association, herein referred to as Association, a non-profit organization existing under the laws of the State of Alabama.

Article II:**Eligibility**

Membership in the Association is mandatory by virtue of the 2002 version of the Covenants under section 17. A ruling was rendered by Circuit Judge Lee Carter of Winston County on June 23, 2009, court case number CV-08-127. Every property owner is a mandatory member.

Article III:**Membership**

All members of the Association are subject to annual dues and special assessments approved by the voting membership.

Article IV:**Voting**

Section 1: Only those property owners whose dues are paid for the current fiscal year are eligible to vote.

Section 2: Each property owner shall be entitled to one vote per lot. Owners of multiple lots will have the option of paying dues and assessments on each lot in order to exercise multiple vote status, or they may opt to pay only one time for one vote. The option may be selected at the beginning of each fiscal year and cannot be changed until the beginning of the next fiscal year.

Section 3: If multiple lot owners sell a lot at any time during the fiscal year, the new owner assumes the responsibility of paying dues and assessments on that lot for that year if they have not been previously paid per lot by the seller. Dues will be prorated, but assessments will not.

Section 4: Elections of the Board of the Association shall be by the majority of the voting members.

Section 5: Members may vote by proxy or mail-in ballot. No voting by E-mail. Sealed ballots must be received by the stated deadline.

Article V: Nominations and Election of Officers and Directors

Section 1: A nominating committee consisting of three members, one of which is a board member, will be appointed by the Board prior to each annual meeting. The committee members' names will be announced at the annual meeting. This committee will be responsible for the following:

1. Contacting HOA members with a request for nominations and specifying a fifteen day deadline to have names turned in.
2. Contacting all nominees to verify willingness to serve. If one person is nominated for more than one position, he or she must choose which position is preferred. A name can appear on the ballot only once.
3. Preparing a ballot, proxy form, and voting instructions to mail to the members no later than two weeks prior to the Annual Meeting. The deadline for voting materials to be returned will be the date of the annual meeting.
4. Accepting nominations from the floor at the annual meeting with prior written approval of the nominee, or with the person in attendance at the meeting.
5. Positions will be determined by those who vote.

Section 2: The names of all nominees willing to serve will appear on the ballot. Nominees may run for one position only.

Section 3: Election to the Board shall be by secret written ballot. Members and their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the by-laws. The person receiving the largest number of votes shall be elected. Cumulative voting (casting more than one vote per candidate on a single ballot) is not allowed.

Section 4: Officers will serve for one year commencing April 1st and ending March 31st the following year. Any vacancies occurring during the fiscal year will be filled by appointment from the Board.

Article VI: Officers and Board of Directors Duties and Authority

Section 1: The offices of the Board of Directors shall consist of a minimum of four members; a president, vice president, treasurer, secretary and up to three directors.

- (a) President shall preside at all Board meetings, see that orders and resolutions are carried out, and sign all legal instruments.
- (b) Vice President shall act in the place of the president in his or her absence and will exercise and discharge such other duties as may be required by the Board.

- (c) Secretary shall record the votes, keep all the minutes of the meetings and proceedings of the Board and the members; send out notification of all meetings, keep current records of members' contact information and shall perform such other duties as required by the Board.
- (d) Treasurer shall be responsible for receiving and depositing all monies for the Association, shall disburse funds as directed by the Board, shall keep books of account, provide an annual audit of the Association books to be conducted by two board members and one HOA member at the completion of each fiscal year, and shall prepare an annual budget and statement of income and expenditures to be presented to the membership at the annual meeting. All disbursements of the treasurer shall require a second signature of another Board member.

Section 2: Each Board member shall hold office for one year. Any Board member may stand for reelection.

Section 3: Board members may take a leave-of-absence for up to six months for personal or medical reasons.

Section 4: Any Board member may be removed from office with cause by a majority of votes of the association members eligible to vote. The successor will be selected by the remaining Board.

Section 5: Any Board member may be reimbursed for actual expenses incurred in performance of duties, but not paid for any services.

Section 6: Regular meetings of the Board shall be held as needed and may be called by the president or any two board members.

Section 7: A majority of the Board members shall constitute a quorum for the transaction of business. A quorum must include one officer. Every act or decision made by a majority present at the meeting shall be regarded as an act of the Board. Each member has one vote.

Section 8: The Board has both the duty and authority to

- (a) adopt and publish rules and regulations for the use of commons areas.
- (b) suspend the voting rights of any member who is in default for any payments levied by the Association.
- (c) employ legal counsel for services as the Board deems necessary.
- (d) employ independent contractors for services not to exceed \$1000 as the board deems necessary. Work costing over \$1000 must be submitted through sealed bids.

- (e) may declare an office of a Board member to be vacant in the event such member is absent for three consecutive meetings of the Board.
- (f) manage the budget such that expenses do not exceed the total approved by the HOA membership at the annual meeting.
- (g) upon budget approval, notice of monies due will be sent to all owners allowing thirty days for payment (annual dues or special assessments).
- (h) to take legal remedies and collection actions after payments become delinquent.
- (i) procure and maintain adequate liability insurance on property owned by the Association.
- (j) maintain the Commons Areas.
- (k) manage the affairs of the Association.

Article VII: Assessments

Each member is obligated to pay the Association's annual dues and special assessments. Any assessments or dues which are not paid when due, shall be considered delinquent. The Association may take legal remedies and collection actions. Any interest, costs, and reasonable legal and collection fees of any such action shall be added to the amount of such assessments. The dues and special assessments will be voted on and decided by the HOA membership.

Article VIII: Amendments

Section 1: These By-Laws may be amended at any special meeting of the Association called for that purpose or at the regular meetings of the Association. Notice of change shall be made available to the members one week in advance of the meetings.

Section 2: Unless otherwise provided prior to its adoption or in the motion to adopt, an amendment shall become effective upon the adjournment of the meeting at which it is adopted.

Article IX: Road Easement Restrictions

Because the South Pointe HOA has previously voted to convey all roads located within the South Pointe Subdivision to Winston County to be maintained as public roads, all mail boxes and structures located within the road easement areas shall be consistent with the specifications set forth by Winston County. Specifically, no mortar-type mail boxes or rock structures are permitted within the road easement areas.