



**BY-LAWS OF
BLACK HORSE RUN PROPERTY OWNERS' ASSOCIATION – RALEIGH, INC.**

ARTICLE I: NAME AND LOCATION

The name of the corporation is BLACK HORSE RUN PROPERTY OWNERS' ASSOCIATION – RALEIGH, INC., hereinafter referred to as the "Association." The principle office of the corporation shall be located initially at 1740 East Independence Boulevard, Charlotte, Mecklenburg County, North Carolina, but meeting of members and directors may be held at such places within or without the State of North Carolina, as may be designated by the Board of Directors.

ARTICLE II: DEFINITIONS

Section 1. "Association" shall mean and refer to BLACK HORSE RUN PROPERTY OWNERS' ASSOCIATION – RALEIGH, INC., 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 and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Properties" shall mean all real property owned by the Association for the common use and enjoyment of the owners.

Section 4. "Lot"/"Tract" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Properties.

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 tract which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. "Declarant" shall mean and refer to BILL ALLEN ENTERPRISES, INC., its successors and assigns if such successors or assigns should acquire more than one undeveloped Tract from the Declarant for the purpose of development.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Register of Deeds in Wake County, North Carolina.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III: MEETINGS OF MEMBERS

(Amended at Annual Meeting 6/25/1976)¹

“Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the first Saturday in November of each year thereafter at such hour as shall be set by the Board of Directors and specified in the notice of the meeting. If the day for the annual meeting of members is a legal holiday, the meeting will be held at the same hour on the next succeeding Saturday 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 (1/4) of all of the votes of the 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 of person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least twenty (20) days before such 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 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.

(Amended at Annual Meeting 6/25/1976)²

“Section 4. Quorum. The presence at any meeting duly called as provided in the By-Laws of members or proxies entitled to cast thirty percent (30%) of the total vote of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration of Covenants, or these By-Laws. If such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, but no adjourned meeting shall be held less than five (5) days nor more than thirty (30) days following the preceding adjourned meeting. If any meeting is adjourned for lack of a quorum, the percentage of the total vote of the membership required to be represented to constitute a quorum at a subsequent adjourned meeting shall be five percent (5%) less than at the preceding adjourned meeting; but in no event shall a representation entitled to cast less than fifteen percent (15%) of the total vote of the membership constitute a quorum. (Illustration: (a) First adjourned meeting – requisite for quorum is thirty percent (30%) of total membership; (b) first subsequent adjourned meeting – requisite for quorum is twenty-five percent (25%) of total membership; (c) second subsequent adjourned meeting – requisite for quorum is twenty percent (20%) of total membership; (d) third and all other subsequent adjourned meetings – requisite for quorum is fifteen percent (15%) of total membership.”

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 number of his tract.

(Amended at Annual Meeting 2/23/1985)³

“Section 6. Three Quarterly Meetings. In addition to the Annual Meeting, to be held as specified in Section 1 herein above, there shall be three quarterly meetings annually with one to be held in February, one to be held in June and one to be held in September, with the exact time and place of each to be determined by the Board of Directors and notice thereof to be given as otherwise specified in the By-Laws.”

ARTICLE IV: BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1.⁴ Number of Board Members who must be members of the Association. The affairs of this Association shall be managed by a Board of eight (8) directors, who must be members of the Association.

Section 2.⁵ Term of Office. At the annual meeting the members will elect four (4) directors for a term of two (2) 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 any 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 V: 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. 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 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. (The following added 9/23/1991)⁶ Any member may petition the nominating committee by written notice to include his/her name in the nominations in which case the Committee shall include his/her name along with any other name nominated.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. As 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 VI: MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, as 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 Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two (2) directors.

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: 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 Properties and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) 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 By-Laws, 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; and
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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 on any special meeting when such statement is requested in writing by one-fourth (1/4) 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 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;
 - (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 office 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 the 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 and hazard insurance or property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) cause the Common Properties to be maintained

(Amended at Annual Meeting 11/4/1978)⁹

- (h) “to fix any special assessment authorized by vote of the members; to give notice to members of the amount and effective date of such special assessment; and to collect and use such special assessment for the purpose or purposes authorized.”

ARTICLE VIII: OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. 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 3.⁸ 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 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 given 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 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 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 other offices except in the case of special offices created pursuant to Section 4 of this Article.

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

President

The President shall preside at all meetings of the Board of Directors; shall see that orders 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.

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 shall exercise and discharge such other duties as may be required of him by the Board.

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 said 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 shall perform such other duties as required by the Board.

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 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 shall 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 IX: COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and 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 purpose.

(Power given to the Board under Article VIII, Section 1 of the By-Laws, the Board added Article IX to include the following 11/6/1976)

(Amended at Quarterly Meeting 9/13/1986)

“The Board of Directors may annually appoint a membership committee, consisting of at least three (3) members who are owners, which shall have such duties as the Board may provide by resolution.

The membership committee may adopt and administer rules approved by the Board of Directors providing for and regulating the sale of associate memberships in the Association to persons who are not owners. The associate memberships shall be limited to such numbers and divided into classes or categories, and shall be sold for such prices, subject to such conditions, and for such terms as the rules shall provide.

Associate members shall have no voting rights in the Association and shall be subject to all applicable rules and regulations of the Association.

This change is to give the Board of Directors the power to sell membership to people outside Black Horse Run. This change will be effective November 15, 1976.”

ARTICLE X: 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 principle office of the Association, where copies may be purchased at a reasonable cost.

ARTICLE XI: ASSESSMENTS

(Changed to 18% in 1998 by vote of Association)⁷

“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 equal to the lesser of eighteen (18) percent per annum, or the maximum rate allowed by laws, and the Association may bring an action at law against the Owner personally obligated to pay the same of foreclose the lien against the property, and interest, costs, and reasonable attorney’s fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his tract.”

ARTICLE XII: CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: BLACK HORSE RUN PROPERTY OWNERS’ ASSOCIATION – RALEIGH, INC., Corporate Seal, N. C., 1973.

ARTICLE XIII: AMENDMENTS

Section 1. Except as hereinafter limited, these By-Laws may be amended by the Board of Directors, and written notice of such amendments shall be sent to all members at least ten (10) days in advance of the effective date of such amendment; but any amendment so adopted by the Board of Directors may be modified or revoked by a vote of members at a duly called meeting.

Section 2. These By-Laws may not be amended with respect to the following provisions except by a vote of two-thirds (2/3) of the members or proxies qualified to vote at a duly called meeting at which a quorum is present;

- (a) Members and proxies necessary to constitute a quorum.
- (b) Number, term, method of removal, compensation, and powers and duties of Directors.
- (c) Notice requirements.
- (d) Availability of books and records for inspection.
- (e) Method of amendment of By-Laws.
- (f) Amendment of any By-Law previously adopted or amended by vote of membership.

Section 3. In the event of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the event of any conflict between the Declaration of Covenants and these By-Laws, the Declaration of Covenants shall control.

ARTICLE XIV: MISCELLANEOUS

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

Table of Amendments (numbers refer to superscripts in the document above)

1. Amended Article III, Section 1: Annual Meeting, 6/25/1976
2. Amended Article III, Section 4: Quorum, 6/25/1976
3. Amended Article III, Section 6: Three Quarterly Meetings, 2/23/1985
4. Amended Article IV, Section 1: Number of Board Members..., 11/7/1998
5. Amended Article IV, Section 2: Term of Office, 11/2/1996
6. Amended Article V, Section 1: Nomination, 9/23/1991. This paragraph was updated but the last sentence failed to get included in the update.
7. Amended Article XI, Assessments, 11/7/1998
8. The term of office was changed to be consistent with Article IV, Section 2 which changed the term office from one year to two years. This as over-looked in the original Proxy dated 11/2/1996
9. Amended at Annual Meeting, Article VII, Section 2(h), assessments

This document includes changes made from 1991-2001 that were voted on and passed by the Association.

Updates made by D. Rogers from documents obtained from the BHR Office on 1/7/2020.