



THE GABLES
at Kepley Farm
 Home Owners Association

**By-Laws of
 The Gables at Kepley Farm HOA**

<i>Approval History</i>			
<i>Approver</i>	<i>Approver Title</i>	<i>Version</i>	<i>Date</i>
Charlie Andrews	President – Board of Directors	1.0	04/30/2009
Robert Wilhelm	President – Board of Directors	2.0	04/12/2012
Del Denny	President – Board of Directors	3.0	12/14/2017
Mary Avery	President – Board of Directors	4.0	12/05/2019
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**BY-LAWS
OF
THE GABLES AT KEPLEY FARM PROPERTY OWNERS ASSOCIATION**

**ARTICLE 1
NAME AND LOCATION**

The name of the corporation is The Gables at Kepley Farm Property Owners Association, hereinafter referred to as the “Association”. The Association is commonly referred to as The Gables at Kepley Farm HOA (Homeowners Association) or The Gables HOA.

The registered office of the corporation shall be located at:

**300 McGill Ave. NW Suite 100
Concord, North Carolina 28027
Attention: Zachary M. Moretz, Esq.**

The mailing address of the Association is:

**The Gables at Kepley Farm Homeowners’ Association
PO Box 2647
Salisbury, North Carolina 28145-2647**

**ARTICLE 2
MEMBERSHIP AND PROPERTY RIGHTS**

Section 1 – Membership - Every owner of a dwelling which is subject to a lien for assessments shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any dwelling subject to assessment. An Owner shall have the right to cast the number of votes at Membership Meetings equal to the number of dwellings owned and which that Owner is current on dues owing the Association.

Section 2 - Restrictions - The Declaration of Restrictive Covenants, Easements and Conditions for The Gables at Kepley Farm is filed of record in the office of the Register of Deeds for Rowan County, North Carolina. The property rights of members are as set forth in said restrictions

ARTICLE 3
MEETINGS OF MEMBERS

Section 1 - Annual Meetings - The Annual Meeting of the Members shall be held on the first Thursday of December at 7:00 pm, or a date determined by the Board for the purpose of elections, ratification of the budget, committee reports and any other authorized business brought forward by the community and each year thereafter, as set by the Board of Directors.

Section 2 - Special Meetings - Special Meetings of the members may be called at any time by the president or by the majority of the Board of Directors, or upon written request of ten percent (10%) or more of the Members who are entitled to vote.

Section 3 - Notice of Meetings - Notice of each meeting of the members may be communicated in person; or by mail postage prepaid or private carrier, or by electronic means, by or at, the direction of the Secretary or person authorized to call the meeting at least fifteen (15) days before such meeting to each Member entitled to vote there, addressed to the member's address or email 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 case of a special meeting, the purpose of the meeting. Waiver by a member – in writing- of the notice required therein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 4 - Quorum - The presence at the meeting of Members entitled to cast, or of proxies entitled to cast fifty per cent (50%) of the 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, such quorum shall not be present or represented at any meeting, the Members entitled to vote there shall have power to adjourn the meeting. Should this occur, the Meeting must be re-scheduled, the date of which will be announced no later than the second week in December.

Section 5 – Electronic Ballot – Any action that may be taken at an annual or special meeting of the Members may be taken by authenticated electronic ballot in accordance with applicable law, or if there is none, in accordance with the applicable Policies and Procedures, if any, or in accordance with the directions of the Board of Directors.

Section 6 – Written Action – Any action that may be taken at an annual meeting of the Members may be taken by written action signed or consented to by authenticated electronic communication (such means of authenticated electronic

communication to be determined by the Board of Directors in its sole discretion from time to time) by all of the Members entitled to vote on that action.

ARTICLE 4
BOARD OF DIRECTORS-SELECTION: TERM OF OFFICE

Section 1 - Number - The affairs of the Association shall be managed by a Board of Directors consisting of seven (7) members of the Association.

Section 2 - Election, Term of Office - Directors shall be elected to serve for a term of two years. A Director who has served a full two (2) year term shall be ineligible for reelection for one year; a director whose term expires prior to serving a full two (2) year term shall be eligible for reelection.

Section 3 - Vacancy by Death, Resignation - In the event of death or resignation of a Director, a successor shall be selected by the remaining members of the Board, and, shall serve for the unexpired term of the predecessor.

Section 4 - Compensation - No Director shall receive compensation for any service which may be rendered to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of duties, with prior approval of the Board.

ARTICLE 5
NOMINATION AND ELECTION OF DIRECTORS

Section 1 - Nominations - Nominations 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 current member of the Board of Directors and two or more non-Board Members of the Association. The Nominating Committee shall be elected by the Board of Directors at the September Meeting. The Nominating Committee will present a formal report of the number of candidates and their names at the November Board Meeting for the purpose of processing the election at the annual meeting to serve until the close of the 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.

Section 2 - Election - The nomination for election to the Board of Directors shall be made by the nominating committee. The nominating committee shall report a nominee for each available Director position. The election to the Board of Directors shall be by secret written ballot, by Proxy or electronic ballot. A Proxy is not a ballot but authorization for the person so named to cast a ballot on that specific Member's

behalf. One vote per household will be allowed. An official ballot shall be prepared by the Nominating Committee.

On the day of the election, the secretary will develop an alphabetical Member Roster of all eligible Members, their addresses, and the number of votes for that member. The list will be given to the Nominating Committee Chair. This procedure shall ensure one vote per household.

ARTICLE 6

MEETINGS OF DIRECTORS

Section 1 - Regular Meetings - All meetings are to follow Robert's Rules of Order, latest revision. Regular meetings of the Board of Directors shall be held quarterly or at such other periodic intervals as maybe 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 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 a majority of 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 7

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1 - Powers and Duties - All of the powers and duties of the Association existing under the Articles of Incorporation and these By-Laws shall be exercised by the Board of Directors, its agents, contractors, or employees, subject only to approval by Lot Owners when such is specifically required. Such powers and duties shall be exercised in accordance with the documents hereinbefore stated, and shall include, but not be limited to, the following;

(a) Adopt and publish rules and regulations governing the use of the common areas and facilities and the personal conduct of the members and their guests thereon and to establish penalties for the infraction thereof. To review, revise and publish regulations annually.

(b) Making, levying, collecting, and enforcing assessments against members to provide funds to pay Association expenses. Such assessments shall be collected by the Association by payment made directly to the Association by Members in the manner set forth in the documents.

(c) Enforcing, by legal means, the provisions of the documents, including-levying fines, suspend the voting rights and rights of use of the recreational facilities and common areas of a Member during the period in which such Member shall be in default in 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

(d) Maintaining, managing, administrating, operating, repairing, and replacing the improvements and personal property located within the portion of the Gables at Kepley Farm under Association jurisdiction.

(e) Retaining independent contractors and professional personnel and entering into and terminating service, supply, and management agreements and contracts to provide for the administration, management, operation, repair and maintenance of the portions of The Gables at Kepley Farm over which the Association has jurisdiction.

(f) Hiring and retaining such employees and/or contractors as are necessary to administer and carry out services required for the proper administration of the purposes of the Association. Assuring that the employees/ contractors have provided certificates of insurance for workman's compensation and commercial liability as well as current licensure where appropriate and paying all the salaries therefore.

(g) Paying cost of all power, water, sewer and other utility services rendered to the portion of The Gables at Kepley Farm over which the Association has jurisdiction and not billed to individual Lot Owners.

(h) Paying taxes and assessments which are or may become liens against any located within portions of The Gables at Kepley Farm over which the Association has jurisdiction and assessing the same against Lot Owners.

(i) Purchasing and carrying insurance for the protection of Lot Owners and the Association against casualty and liability with respects to portions of The Gables at Kepley Farm over which the Association has jurisdiction in accordance with the documents.

ARTICLE 8
OFFICERS AND THEIR DUTIES

Section 1 - Enumeration of Officers - The officers of the Association shall be a PRESIDENT, and VICE PRESIDENT, who shall at all times be members of the Board of Directors, a SECRETARY, TREASURER, and ASSISTANT 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 immediately after the adjournment of the annual meeting of the Members. The newly - elected officers shall then assume their official duties.

Section 3 - Terms - 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 with written notification to the one being removed. Any officer may resign at any time by giving written notice to the Board, the President or 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, Treasurer, or Assistant Treasurer may not 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 executive officers of the Association shall be a President, a Vice President, both of whom shall be a Director. A Secretary, Treasurer and an Assistant Treasurer, all of whom shall be elected annually by the Board of Directors and who may be peremptorily removed by vote of the Directors at any

meeting. The offices of Secretary and Treasurer or Assistant Treasurer, may not be held by the same person. No person shall simultaneously hold more than one office other than as stated above. The Board of Directors, from time to time, shall elect other officers and designate their power and duties as the Board shall find to be required to manage the affairs of the Association. The duties of the officers are as follows;

(a) President - The President shall be the chief executive officer of the Association. He shall have all the powers and duties usually vested in the office of the President of the Association, including but not limited to, the power to appoint committees from among the members from time to time, as he in his discretion may determine appropriate, to assist in the conduct of the affairs of the Association. 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 written instruments and promissory notes; and shall cause a written agenda to be published one (1) week prior to that meeting and be distributed to all directors.

(b) Vice President - The Vice President, in the absence or disability of the President, shall exercise the power and perform the duties of the President. He shall also assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

(c) Secretary - The Secretary shall keep the minutes of all proceedings of the Directors and Members; shall attend to the giving and serving of all notices to the Members and Directors and other notices required by law. The Secretary shall have custody of the seal of the Association and affix it to the instruments requiring a seal when duly signed; shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the Secretary of an association and as may be required by the President.

(d) Treasurer - The Treasurer shall have custody of all property of the Association, including funds, securities, and evidences of indebtedness; The Treasurer shall disperse such funds as directed by resolution of the Board of Directors. The Treasurer shall keep the books of the Association in accordance with good accounting practices; shall sign all checks and, in conjunction with the President, all promissory notes of the Association; and perform all other duties incident to the office of Treasurer. The Treasurer shall prepare an annual budget and statement of income and expenditures to the Membership at the annual meeting and deliver a copy to all Members prior to the annual meeting.

(e) Assistant Treasurer - The Assistant Treasurer shall act in the place and stead of the Treasurer in the absence of the Treasurer; shall review all the actions of the Treasurer and shall be an additional signer of checks.

ARTICLE 9
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 costs.

ARTICLE 10
ASSESSMENTS

Section 1 - Creation of the lien and personal obligations for Assessments - 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 agrees to pay to the Association the assessments and charges established and collected as hereinafter provided. Any such assessment or charge, together with interest, administrative fees, collection costs and reasonable attorney fees, shall be a charge and a continuing lien upon the Lot against which each assessment or charge is made. Each assessment or charge, together with interest, administrative fees, collection costs, and reasonable attorney's fees, shall be the personal obligation of the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessment or charges shall not pass to Owner's successors in title unless assumed by them.

Section 2 - Purpose of Annual Assessments - Unless otherwise provided herein, the annual assessments levied by the Association as provided in Section 4 of this Article 10 shall be used as follows; For projects approved by the Board of Directors

Section 3 - Maximum Annual Assessments -

(a) The maximum annual assessment (HOA Dues) for Lots may be increased for each calendar year, without a vote of the membership, provided that the percentage of any such increase does not exceed five percent (5%) of the previous year.

(b) The maximum annual Assessments for Lots may be increased without limitation if such increase is approved by Members entitled to not less than two thirds (2/3) of all the votes.

(c) The Board of Directors may fix the annual assessments at amounts not in excess of the maximum.

Section 4 - Special Assessments for Capital Improvements - In addition to the annual assessments authorized above, the Association may, unless otherwise provided herein, levy in any assessment year a special assessment applicable to the year only for the purpose of defraying, in whole or in part, the cost of any construction, repair, or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any assessment requires the same assent of the members as provided in Section 3 of this Article. Only occupied homes or purchased homes at the time of the special assessment will be liable to pay the special assessment

Section 5 - Notice and Quorum for any action authorized under Sections 3 and 4 - Written notice of any meeting called for the purpose of taking action authorized under Sections 3 or 4 of this Article shall be sent to all Members not less than fifteen (15) days or more than sixty (60) days in advance of the meeting. At such meeting the presence of Members entitled to cast votes. Fifty percent (50%) of all the votes in the Association shall constitute a quorum. If the quorum is not present another meeting may be called subject to the same notice requirement, and if the same is called for a date not later than sixty (60) days after the first meeting, the required quorum at the subsequent meeting shall be one half (1/2) of the required quorum at the preceding meeting.

Section 6 - The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each calendar year - Written notice of annual assessment shall be sent to each Lot Owner, except as provided below, the annual assessment shall be payable annually on January 01, of each year or on other payment dates as shall be established by the Board of Directors. When property is conveyed to a new Lot Owner, the Assessments shall be prorated as of the date of closing and if assessments have not yet been paid they are to be collected at the closing. The Association shall, upon demand, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid. A properly executed certificate of the Association as to the status of the assessments on a Lot is binding upon the Association as of the date of issuance.

Section 7 - Effect of Non-payment of Assessments; Remedies of the Association - The delinquent Lot Owner shall pay a late charge not to exceed ten dollars (\$10) per month or ten percent (10%) of any assessment installment unpaid, whichever is greater. If an annual or special assessment is not paid within thirty (30) days after the due date it will be considered delinquent and a late fee will be charged. The Association may bring action at law against the delinquent Lot Owner or foreclose the lien against the Lot, and the late payment charges, administrative fee, collection

costs, and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment. No Lot Owner may waive or otherwise escape liability for the assessments provided herein by not using the Common Area or by abandoning his Lot.

Section 8 - Subordination of the lien to mortgages - The lien of assessment provided for herein shall be subordinate to the lien of any first mortgage or deed of trust on a Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a 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 Board of Directors may in its sole discretion, determine such unpaid assessments to be an annual or special assessment, as applicable, collectible, prorate from all Lot Owners notwithstanding the fact that such prorated portions are payable by all Lot Owners including the foreclosure sale purchaser. Such prorated portions may cause the annual assessments to be in excess of the maximum permitted under section 3 of this Article. No sale or transfer shall relieve the purchaser of such Lot from liability for any assessments thereafter becoming due or 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.

Section 9 - Procedures for Fines and Suspensions of Planned Community Privileges or Services - Unless a specific procedure for the imposition of fines or suspension of planned community privileges or services is provided for in the declaration, a hearing shall be held before the HOA board or an adjudicatory panel appointed by the HOA board to determine if any Lot Owner should be fined or if planned community privileges or services should be suspended pursuant to the powers granted to the Association, Any adjudicatory panel appointed by the HOA board shall be composed of members of the Association who are not officers of the Association or members of the HOA board. The Lot Owner shall be given notice of the charge, opportunity to be heard and to present evidence, and given notice of the decision. If it is decided that a fine be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing for each day more than five days after the decision that the violation occurs. Such fines shall be assessments secured by liens.

If it is decided that a suspension of planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured. The Lot Owner may appeal the decision of an adjudicatory panel to the full HOA Board within fifteen (15) days after the date of the decision. The HOA Board may affirm, vacate, or modify the prior decision of the adjudicatory body.

ARTICLE 11
INDEMNIFICATION

Any person who at any time serves or has served as an officer, member of the Board of Directors of the Association shall have a right to be indemnified by the Association to the fullest extent permitted by law against (a) reasonable expenses, including attorneys fees incurred by him/her in connection with any threatened, pending, or completed civil, criminal, administrative, investigative, or arbitrative action, suit, or proceeding (and any appeal therein), whether or not brought by or on behalf of the Association, seeking to hold him/her liable by reason of the fact that he/she is or was acting in such capacity (b) reasonable payments made by him/her in satisfaction of any judgment, moneys, decree, fine, penalty, or settlement for which he/she may have become liable in any such action, suit or proceeding.

Upon request for payment, the President of the Association shall promptly call a special meeting of the Board of Directors to obtain approval to pay the indemnification required by this by-law. Such approval may be general or confined to specific instances, and shall not be unreasonably withheld. Upon approval by the Board of Directors, the President shall promptly cause the indemnification to be paid to the requesting party.

Any person who at any time after the adoption of this by-law services or has served as an officer, member of the Board of Directors and/or member of the Ad judiciary Panel of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any rights to which such person may be entitled apart from the provision of this bylaw.

ARTICLE 12
DISSOLUTION

In the event of dissolution of the Association, the residual assets of the Association will be distributed to a non-profit organization with purposes similar to those of the Association, or to any other organization eligible under the provisions of Chapter 55A of the General Statutes of North Carolina. However, in no event shall the residual assets of the Association be distributed in a fashion that terminates the Association's except status under Section 528 of the Internal Revenue Code of 1986 or any corresponding sections or provisions of any future United States Internal Revenue Law.

ARTICLE 13
GENERAL PROVISIONS

Section 1 -Seal - The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Association.

Section 2 -Fiscal Year - The fiscal year of the Association shall be the calendar year.

ARTICLE 14
AMENDMENTS

Section 1 - These By-laws may be amended at the Annual Meeting or at a Special Meeting of the Members called for that purpose by an affirmative vote of two thirds (2/3) of those present in person or by proxy, a quorum having first been established.

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

CERTIFICATION

I, the undersigned, do hereby certify;

That I am the duly elected and acting Secretary of The Gables at Kepley Farm Property Owners Association, a North Carolina corporation; and

That the foregoing By-Laws constitute the original By-Laws of said Association as duly adopted at a meeting of the members thereon held on the 1st day of December 2022.

IN WITNESS WHEREOF, I have here unto subscribed my name and affixed the seal of said Association this 1st day of December 2022.



Zelia Frick

SECRETARY