

# HARRIS COVE

FAIRVIEW · NORTH CAROLINA

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## Bylaws

*of*

### **HARRIS COVE HOA, INC.**

*A North Carolina Nonprofit Corporation · Execution Copy · May 27, 2026*

These Bylaws govern the Harris Cove HOA, Inc. (the “Association”), a North Carolina nonprofit corporation. These Bylaws are subject to, and shall be construed together with, the Articles of Incorporation of the Association (the “Articles”) and the Declaration of Covenants, Conditions and Restrictions for Harris Cove recorded in the Buncombe County Registry, as amended from time to time (the “Declaration”). In the event of any conflict between these Bylaws and the Declaration, the Declaration shall control.

#### Article I — Name and Office

##### **Section 1.1. Name.**

The name of the Association is Harris Cove HOA, Inc.

##### **Section 1.2. Principal Office.**

The principal office of the Association shall be located in Buncombe County, North Carolina, at such place as the Board of Directors may designate from time to time.

##### **Section 1.3. Registered Office and Agent.**

The Association shall continuously maintain a registered office and registered agent in the State of North Carolina as required by law. The initial registered office and registered agent are set forth in the Articles and may be changed by the Board.

#### Article II — Definitions

Capitalized terms used in these Bylaws and not otherwise defined have the meanings given to them in the Declaration. Without limiting the foregoing:

“**Board**” means the Board of Directors of the Association.

“**Community**” means Harris Cove, the planned residential community subject to the Declaration.

“**Lot**” means each numbered lot shown on the recorded plat of the Community.

**“Member”** means each record owner of a fee simple interest in a Lot.

**“Declarant”** means Bald Headed Builders, Inc., its successors and assigns as provided in the Declaration.

## Article III — Members

### **Section 3.1. Qualification.**

Membership in the Association is appurtenant to ownership of a Lot and may not be separated from it. When a Lot is owned by more than one person or entity, all such co-owners shall collectively constitute one Member.

### **Section 3.2. Voting Rights.**

Each Lot is entitled to one vote on all matters submitted to a vote of the Members. Co-owners of a Lot must act by majority among themselves to cast the vote for that Lot; if co-owners cannot agree, the vote for that Lot shall not be counted. Voting rights of a Member are subject to suspension for unpaid assessments or other violations as provided in the Declaration.

### **Section 3.3. Transfer of Membership.**

Membership is automatically transferred upon the recordation of a deed conveying the Lot to a new owner. The Association shall recognize the record owner reflected in the Buncombe County Registry as the Member entitled to exercise rights of membership.

## Article IV — Meetings of Members

### **Section 4.1. Annual Meeting.**

The annual meeting of the Members shall be held once each calendar year at a date, time, and place designated by the Board, which shall be held not later than December 31 of each year. The purpose of the annual meeting is to elect directors (when applicable), receive reports on the operation of the Association, and transact such other business as may properly come before the meeting.

### **Section 4.2. Special Meetings.**

Special meetings of the Members may be called at any time by the President, by a majority of the Board, or upon written petition signed by Members representing not less than twenty-five percent (25%) of the total voting power of the Association. The purpose of a special meeting shall be stated in the notice, and no other business may be transacted at the meeting.

### **Section 4.3. Notice of Meetings.**

Written notice of each annual or special meeting stating the place, date, time, and, in the case of a special meeting, the purpose of the meeting shall be delivered to each Member entitled to vote not less than ten (10) nor more than fifty (50) days before the date of the meeting. Notice may be delivered by hand, first-class mail, or electronic transmission to the address or email address shown on the records of the Association.

### **Section 4.4. Quorum.**

The presence, in person or by proxy, of Members holding not less than thirty percent (30%) of the total voting power of the Association shall constitute a quorum. If a quorum is not present, the meeting may be adjourned and reconvened with not less than five (5) days' notice, at which reconvened meeting the required quorum shall be fifteen percent (15%) of the total voting power.

### **Section 4.5. Proxies.**

A Member may vote by proxy executed in writing and delivered to the Secretary before or at the meeting. A proxy is revocable by the Member and is automatically revoked upon transfer of the Lot. No proxy is valid after eleven (11) months from the date of execution unless it provides otherwise.

### **Section 4.6. Action Without a Meeting.**

Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if consents in writing describing the action to be taken are signed by Members holding not less than the minimum number of votes that would be required to take the action at a meeting at which all Members entitled to vote were present and voting.

### **Section 4.7. Order of Business.**

The President shall preside at all meetings of the Members. The order of business and rules of procedure shall be as determined by the Board from time to time; absent such determination, Robert's Rules of Order (latest revised edition) shall govern to the extent not inconsistent with the Declaration, Articles, or these Bylaws.

## Article V — Board of Directors

### **Section 5.1. Number and Qualification.**

The affairs of the Association shall be managed by a Board of Directors consisting of not fewer than three (3) nor more than five (5) directors. During the Declarant Control Period (as defined in the Declaration), the Declarant may appoint and remove directors as provided in the Declaration, and the initial Board may consist

of one (1) director. Following the Declarant Control Period, all directors shall be Members of the Association or representatives of entity Members.

**Section 5.2. Term.**

Each director elected by the Members shall serve for a term of two (2) years, or until a successor is elected and qualifies, whichever is later. Terms shall be staggered so that, as nearly as practicable, one-half of the directorships are elected each year.

**Section 5.3. Election.**

Following the Declarant Control Period, directors shall be elected by the Members at the annual meeting. Cumulative voting is not permitted. The candidates receiving the highest number of votes up to the number of directorships to be filled shall be deemed elected.

**Section 5.4. Removal.**

Any director elected by the Members may be removed, with or without cause, by the affirmative vote of Members holding a majority of the total voting power at a meeting duly called for that purpose.

**Section 5.5. Vacancies.**

A vacancy on the Board resulting from death, resignation, removal, or any other cause (other than removal by the Members) may be filled by the affirmative vote of a majority of the remaining directors, even if less than a quorum. A director elected to fill a vacancy shall serve until the next annual meeting, at which time the Members shall elect a director to serve the remainder of the unexpired term.

**Section 5.6. Compensation.**

Directors shall serve without compensation but may be reimbursed for reasonable expenses incurred on behalf of the Association.

**Section 5.7. Powers.**

The Board shall exercise all powers and duties of the Association that are not reserved to the Members by the Declaration, the Articles, these Bylaws, or applicable law, including, without limitation, the power to: (a) adopt and enforce rules and regulations consistent with the Declaration; (b) prepare and adopt annual budgets and levy assessments as provided in the Declaration; (c) contract for services, insurance, utilities, and maintenance; (d) retain professionals including legal counsel and accountants; (e) initiate and defend legal actions; and (f) open and manage bank accounts in the name of the Association.

## Article VI — Meetings of Directors

### **Section 6.1. Regular Meetings.**

The Board shall hold regular meetings on a schedule determined by the Board, but not fewer than two (2) times per calendar year. No notice other than the schedule is required.

### **Section 6.2. Special Meetings.**

Special meetings of the Board may be called by the President or by any two (2) directors upon not less than three (3) days' prior notice.

### **Section 6.3. Quorum and Voting.**

A majority of the directors then in office constitutes a quorum. Action of the Board requires the affirmative vote of a majority of the directors present at a meeting at which a quorum is present, except where a greater number is required by the Declaration, the Articles, these Bylaws, or applicable law.

### **Section 6.4. Participation by Electronic Means.**

Directors may participate in any meeting by telephone conference, video conference, or similar communications equipment by which all persons participating can hear each other. Participation by such means constitutes presence in person.

### **Section 6.5. Action Without a Meeting.**

Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if all directors then in office consent in writing to the action. Such consent has the same force and effect as a unanimous vote at a meeting.

### **Section 6.6. Open Meetings.**

Meetings of the Board shall be open to attendance by Members, except that the Board may enter executive session to discuss matters involving pending litigation, personnel, contracts under negotiation, or confidential information of the Association or a specific Member. Notice of Board meetings shall be posted or otherwise made available to Members in advance to the extent reasonably practicable.

## Article VII — Officers

### **Section 7.1. Officers.**

The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, and such other officers as the Board may appoint. The offices of Secretary and Treasurer may be held by the same person, but no officer may execute, acknowledge, or verify any instrument in more than one capacity.

### **Section 7.2. Election and Term.**

The officers shall be elected annually by the Board at the first Board meeting following the annual meeting of the Members and shall serve at the pleasure of the Board until their successors are elected or until their earlier resignation or removal.

### **Section 7.3. Duties.**

The President shall preside at meetings of the Members and of the Board and shall have general supervision over the affairs of the Association. The Vice President shall act in the place of the President when the President is absent or unable to act. The Secretary shall keep the minutes of meetings, maintain the records of the Association, and give all required notices. The Treasurer shall be responsible for the funds and financial records of the Association, for the preparation of the annual budget, for the collection of assessments, and for the preparation of financial reports. The Board may assign additional duties to any officer.

### **Section 7.4. Resignation and Removal.**

Any officer may resign at any time upon written notice to the Board. Any officer may be removed with or without cause by a majority of the directors then in office.

## Article VIII — Committees

### **Section 8.1. Architectural Review Committee.**

The Board shall establish an Architectural Review Committee to administer the architectural review process set forth in the Declaration and any design guidelines adopted thereunder. The composition, powers, and procedures of the Architectural Review Committee shall be as set forth in the Declaration or as supplemented by rules adopted by the Board.

### **Section 8.2. Other Committees.**

The Board may establish additional committees from time to time and may delegate to any committee such powers as the Board deems appropriate, except that no committee may amend the Declaration, the Articles, or these Bylaws; approve or change the annual budget; levy or modify assessments; or take any action reserved by law to the Board or the Members.

## Article IX — Finances and Accounting

### **Section 9.1. Fiscal Year.**

The fiscal year of the Association shall be the calendar year, beginning January 1 and ending December 31, unless otherwise determined by the Board.

### **Section 9.2. Budget.**

The Board shall prepare and adopt a required operating budget for each fiscal year as provided in the Declaration. The budget shall include anticipated common expenses and reasonable reserves for repair and replacement of common elements.

### **Section 9.3. Assessments.**

The Board shall levy Annual Assessments, Special Assessments, and other charges as authorized by the Declaration. Assessments are payable by Members in accordance with the schedule adopted by the Board and may be collected as provided in the Declaration.

### **Section 9.4. Books and Records.**

The Association shall maintain books and records of its finances and operations at its principal office. Members may inspect the records at reasonable times and for proper purposes, in accordance with the North Carolina Nonprofit Corporation Act.

### **Section 9.5. Financial Review.**

The Board shall cause a financial review or compilation to be prepared for each fiscal year and shall make the resulting report available to Members within a reasonable time after the end of the fiscal year. The Board may, in its discretion, cause a full audit to be performed when it deems appropriate or when required by the Declaration.

### **Section 9.6. Contracts and Signing Authority.**

The Board may authorize any officer or agent to enter into contracts and execute instruments in the name of and on behalf of the Association. Absent specific authorization, the President or the Treasurer may execute contracts within the ordinary course of the Association's business.

## **Article X — Indemnification**

The Association shall indemnify any director, officer, employee, or agent of the Association to the fullest extent permitted by the North Carolina Nonprofit Corporation Act, and may advance expenses in connection therewith. The Association may purchase and maintain insurance on behalf of any such person against liabilities incurred in any such capacity, whether or not the Association would have the power to indemnify against such liabilities under law.

## **Article XI — Amendments**

These Bylaws may be amended by the affirmative vote of a majority of the total voting power of the Members at a duly called meeting at which a quorum is present, or by written consent of Members holding a majority of the total voting power. No

amendment to these Bylaws may conflict with the Declaration or the Articles; in the event of any such conflict, the Declaration and Articles control and the amendment shall be of no force or effect. During the Declarant Control Period, these Bylaws may be amended by the Declarant, subject to any limitations set forth in the Declaration.

## Article XII — Conflicts and Miscellaneous

### **Section 12.1. Order of Precedence.**

In the event of any conflict among the Declaration, the Articles, these Bylaws, and the rules and regulations of the Association, the order of precedence shall be: (i) the Declaration; (ii) the Articles; (iii) these Bylaws; and (iv) the rules and regulations. North Carolina law controls where any of the foregoing is silent or inconsistent with applicable law.

### **Section 12.2. Severability.**

If any provision of these Bylaws is held invalid or unenforceable, the remaining provisions shall continue in full force and effect, and the invalid provision shall be enforced to the maximum extent permitted by law.

### **Section 12.3. Captions and Construction.**

Captions are for convenience only and do not affect the interpretation of these Bylaws. Words used in the singular include the plural, and vice versa, as the context requires.

### **Section 12.4. Notices.**

Any notice required or permitted under these Bylaws shall be in writing and delivered by hand, first-class mail, or electronic transmission to the address of record of the Member, director, or officer. Each Member is responsible for keeping the Association informed of a current mailing address and, if applicable, email address.

## **CERTIFICATION**

The undersigned certifies that these Bylaws were adopted by the initial Board of Directors of Harris Cove HOA, Inc. on the date set forth below.

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Joe Schlotterbeck, President / Sole Initial Director

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Date

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*Prepared for review by Brittany Long, Esq., Barnwell & Long, PLLC*  
Execution Copy · May 27, 2026 · Not yet adopted