

# UPDATED BYLAWS

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## BYLAWS OF SOUTH BLUFFS HOMEOWNERS ASSOCIATION, INC.

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### ARTICLE I.

#### NAME AND LOCATION

The name of the corporation is South Bluffs Homeowners Association, Inc. hereinafter referred to as the "Association". The principal office of the corporation shall be located in Memphis, Tennessee, but meetings of the Members and Directors may be held at such places within the State of Tennessee and the County of Shelby as may be designated by the Board of Directors.

### ARTICLE II.

#### DEFINITIONS

**Section 1.** "Association" shall mean and refer to South Bluffs Homeowners Association, Inc., its successors and assigns.

**Section 2.** "Owner" shall mean and refer to the record owner, whether one of more persons or entities, of the fee simple title to an Lot which is a part of the Property, but excluding those having such interest merely as security for the performance of an obligation.

**Section 3.** "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions For South Bluffs Homeowners Association, Inc., and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

**Section 4.** "Lot" shall mean and refer to any plat of land shown upon any recorded Final Plan of the Property.

**Section 5.** "Declarant" shall mean and refer to South Bluffs Development Associates, a Tennessee general partnership, consisting of H T Devco, Inc., a Tennessee corporation, R & D Properties, Inc., a Tennessee corporation, and Beltz Investment Company, Inc. a Tennessee corporation, its duly appointed agent or representative, successors and/or assigns.

**Section 6.** "Member" shall mean and refer to every person or entity holding membership in the Association by virtue of ownership of a Lot or Lots in the Property.

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**Section 7.** "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for South Bluffs Homeowners Association, Inc. recorded in the Register's Office of Shelby County, Tennessee.

### ARTICLE III

#### MEETINGS OF MEMBERS

**Section 1. Annual Meetings.** The first annual meeting of the Members shall be held within one (1) year from the date of incorporation of the Association, and each year the regular annual meeting shall be held during August.

**Section 2. Special Meetings.** Special meetings of the Members may be called at any time by the President or the Board of Directors. Further, twenty-five percent (25%) of the Association Members may petition the Board President to call a special meeting.

**Section 3. Notice of Meetings.** Written notice stating the place, day and hour of the meeting, and in the case of any special meeting, the purpose or purposes for which the meeting is called and the person or persons calling the meeting shall be delivered either personally or by mail, at the direction of the President, Secretary, officer, person or persons calling the meeting, to each Member entitled to vote at the meeting. If mailed, such notice shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting and shall be deemed to be delivered when deposited in the U.S. Mail and addressed to the Member at his address as it appears on the membership books of the corporation, with postage thereon prepaid. If delivered personally, such notice shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting and shall be deemed delivered when actually received by the Member.

**Section 4. Quorum.** The presence at the meeting of Members, in person or by proxy, entitled to cast fifty-one percent (51%) of all votes of the Property owners shall constitute a quorum for any action except as otherwise provided in the Charter of Incorporation, the Declaration, or these By-laws (Article XII, Section 1.) . If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid or as provided in the Declaration shall be present or be represented. To the contrary notwithstanding, at any annual or specially called meeting , if the



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required quorum is not present at such meeting, an adjourned meeting may be announced and the required quorum at any such adjourned meeting shall be fifty percent (50%) of the required quorum at the previous meeting. No such adjourned meeting shall be held more than sixty (60) days following the preceding meeting.

**Section 5. Proxy.** At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with an elected member of the Board of Directors. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

### ARTICLE IV

#### BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

**Section 1. Number.** The affairs of the Association shall be managed by a Board of five (5) Directors who are Members of the Association. One Member of the Board of Directors shall be elected from the Owners of Lots 1-36 (36 lots) of the Property. One Director shall be elected from the Owners of Lots 37-41, 43-50, 52-66 and 106-112 (35 lots) of the Property. One Director shall be elected from the Owners of Lots 117-151 (35 lots). One Director shall be elected from Lots 68A, 68B, 69, 70, 72-88, and 90-105 (39 lots). One Director shall be appointed by the Owner(s) of the South Bluffs Apartments (Lots 67 and 113-116).

**Section 2. Terms of Office.** The Members of the Board of Directors shall serve for a term of one (1) year or until their successors are elected and shall be eligible to succeed themselves. No member shall serve for more than three consecutive terms, however. Cumulative voting shall not be permitted in the election of Board Members.

**Section 3. Removal.** Any Director may be removed from the Board, with or without cause by a majority 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 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.

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**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 a majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

**Section 6. Ex-Officio Members.** In addition to the regularly elected Members of the Board of Directors, the President and Vice-President of the Association shall serve as ex officio non-voting members of the Board of Directors.

### ARTICLE V

#### NOMINATION AND ELECTION OF DIRECTORS

**Section 1. Nomination.** Nomination for election of the Board of Directors shall be made by a Nominating Committee appointed by the Board of Directors. These appointments shall be made from Members of the Association. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed prior to each annual meeting of the Members to serve from the close of the annual meeting until the close of the next election of the Board of Directors. Such appointment shall be announced at 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. Such nominations shall be made solely from among Association members.

**Section 2. Election.** Election to the Board of Directors shall be by secret written ballot. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

### ARTICLE VI

#### MEETING OF DIRECTORS

**Section 1. Regular Meetings.** Regular meetings of the Board of Directors shall be held at least quarterly 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 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, after not less than three (3) days' notice to each Director.

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**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 Property and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) Suspend the voting rights 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 less sixty (60) days for infraction of published Rules and Regulations;
- (c) Declare the office of a Director to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (d) Elect from its membership a Chairman, Vice Chairman, and Secretary, who in combination shall constitute the Executive Committee of the Board of Directors.
- (e) Enter into such contracts as it deems proper for the maintenance and upkeep of the Common Areas and Limited Common Areas and the operation of the Association;
- (f) Take such other action as shall be permitted by applicable law, the Charter of Incorporation, the Declaration and these Bylaws as may be necessary to conduct the orderly business of the Association.

**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 at any special meeting.
- (b) Supervise all officers of the Association, and see that their duties are properly performed;



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- (c) As more fully provided in the Declaration, Article IX, Section 1 through 14, to:
- (1) Fix the amount of the annual Assessment against each Lot at least thirty (30) days in advance of each annual Assessment.
  - (2) Establish a replacement reserve fund for Improvements on the Common Areas and Limited Common Areas of the Property.
  - (3) Send written notice of each Assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of each Assessment if payable quarterly or annually; and
  - (4) Enforce the lien against any Property for which the Assessment is not paid within sixty (60) days after the due date or bring an action at law against the Owner personally obligated to pay the same.
  - (5) Enforce the covenants, conditions and restrictions set forth in the Declaration including, but not limited to, the provisions concerning architectural control and restriction of uses by action at law against the Owner governed by same, whether such action be to enjoin the violation of the covenants, conditions and restrictions or to recover damages as a result of said violation, including attorney's fees and costs.
  - (6) Maintain any required hazard, flood, liability or fidelity bond coverage.
- (d) Issue, or cause an appropriate officer 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 these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Cause all officers or contracted individuals having fiscal responsibilities to be bonded, as it may deem appropriate;
- (f) Cause any easement obtained or Improvements constructed by Declarant or the Association to be maintained;

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- (g) Initiate litigation to enforce the Rules and Regulations, including the application for injunctive relief; and
- (h) Set a system of penalties or fines regarding the standards of conduct in the Declaration.

### ARTICLE VIII

#### OFFICERS AND THEIR DUTIES

**Section 1. Enumeration of Officers.** The officers of this Association shall be President and Vice President, who shall at all times be ex officio non-voting 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. The duties of a Secretary and a Treasurer may at the discretion of the Board of Directors, be contracted to an Association/Property Management Company.

**Section 2. Election of Officers.** The election of officers shall take place at the first meeting of the Board of Directors following the election of the Board of Directors.

**Section 3. Term.** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year or until his successor is elected unless he shall sooner resign, or shall be removed, or otherwise be 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 by giving 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 (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.



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

### President

(a) The President shall preside at all meetings of the Members and shall see that orders and resolutions of the Board are carried out; shall sign any leases, mortgages, deeds, and other written instruments.

### Vice-President

(b) 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

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Members; serve notice of meetings of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform other duties as required by Board. These duties may be contracted to an Association Management organization.

### Treasurer

(d) 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; provide for the keeping of proper books of account; cause an annual audit of the Association books to be made by a certified 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. These duties may be contracted to an Association Management organization.

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## ARTICLE IX

### COMMITTEES

**Section 1. Nominating Committee.** The Board of Directors shall appoint a Nominating Committee as provided in these By-laws. In addition, the Executive Committee of the Board of Directors may appoint such other committees as it deems appropriate in carrying out the purposes of the Board.

**Section 2. Committee Duties.** It shall be the duty of each committee to carry out the mandate given by the Board of Directors. It shall keep a record of its meetings and activities. Upon completion of the committee's work it shall report to the Board of Directors the outcome of its actions and provide the Board of Directors with recommendations as appropriate.

## ARTICLE X

### BOOKS AND RECORDS

The books, records and papers of the Association, including the minutes of any meeting of the Board of Directors, shall at time, during reasonable business hours, be subject to inspection by any Member. The Declaration, Charter 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 cost.

## ARTICLE XI

### ASSESSMENTS

As more fully provided in Article IX of the Declaration, each Member is obligated to pay to the Association regular (payable monthly, quarterly or annually) and special, emergency and joint Assessments which are secured by a continuing lien upon the Lot against which the Assessment is made. Any Assessments which are not paid when due shall be delinquent. If the Assessment is not paid within fifteen (15) days after the due date, the Assessment shall bear interest from the date of delinquency at the maximum interest rate per annum as allowed by the law of Tennessee, plus a late charge of five (5%) percent of the amount of the Assessment to cover the administrative cost of the collection of the delinquency (if allowable under Tennessee law), and, if the Assessment is not paid within thirty (30) days of the due date, the Association may exercise its right of foreclosure as provided in the Declaration or bring

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an action in a court of equity to enforce the lien or an action at law against the Owner personally obligated to pay the same and interest, costs, and reasonable attorney's fees incurred in 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 abandonment of his Lot.

### ARTICLE XII

#### AMENDMENTS

**Section 1. Amendments.** These By-laws may be amended, at a regular or special meeting of the Members, by a vote of a two-thirds (2/3) majority of a quorum of Members present in person or by proxy.

**Section 2. Conflicts.** In the case of any conflict between the Charter of Incorporation and these By-laws, the Charter shall control; and in the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

### ARTICLE XIII

#### MISCELLANEOUS

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

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Secretary