

BYLAWS
OF
AVALON HOMEOWNER'S ASSOCIATION, INC.

A Nonprofit Corporation
Under the Laws of the State of Alabama

These Bylaws (the "Bylaws") of AVALON HOMEOWNER'S ASSOCIATION, INC. (hereinafter called the "Association"), a nonprofit corporation, incorporated under the laws of the State of Alabama are hereby created and adopted pursuant to the Articles of Incorporation of the Association filed in the office of the Judge of Probate of Baldwin County, Alabama, as Instrument Number 760889 (the "Articles of Incorporation"). The Association has been organized for the purpose of providing various services and benefits to owners of property in Avalon Subdivision, a subdivision as per plat thereof recorded in the office of the Judge of Probate of Baldwin County, Alabama, on Slide 2104-A and as Instrument Number 710602, as may be amended from time-to-time (the "Subdivision"), and as is consistent with the Articles of Incorporation, and those certain Declaration of Conditions, Restrictions and Protective Covenants recorded as Instrument Number 719589 in the office of the Judge of Probate of Baldwin County, Alabama, as may be amended from time to time.

ARTICLE I
ASSOCIATION

1.1 Office. There is not a physical office for the Association, however, the official mailing address of the Association is: PO Box 386, Daphne, AL 36526. The website address is www.avalonhoadaphne.com.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

ARTICLE II
MEMBERS

2.1 Qualification. The members of the Association shall consist of all owners of lots in the Subdivision. "Owner" shall mean and refer to the record owner, whether the same shall consist of one or more persons or entities, of the fee simple title to any lot, but excluding those having such interest merely as security for the performance of the obligation.

2.2 Membership. Membership in the Association shall be established by recording in the appropriate public records of Baldwin County, Alabama, a deed establishing a record title to a lot in the Subdivision, and to delivery to the Association of a copy of such instrument as recorded. The membership of any prior owner of the same lot shall be terminated upon delivery to the Association of a copy of the deed as aforesaid.

2.3 Voting Rights. All homeowners shall be entitled to one vote for each lot owned. A lot owner must be a member in "good standing" to be eligible to cast a vote. Good standing is defined as having paid: yearly dues, special assessments, liens, and fines as well as having no documented unresolved Architectural Control (AC) violations. In the event that a lot is owned by more than one person or entity, such multiple owners shall be entitled to collectively cast only one vote

2.4 Restraint Upon Alienation of Assets. A member shall have no vested right, interest, or privilege of, in, or to the assets or funds of the Association, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, except as an appurtenance to the ownership of his lot.

ARTICLE III **MEMBERS' MEETINGS**

3.1 Place. All meetings of members of the Association shall be held at such place within the County of Baldwin, Alabama, as may be stated in the notice of the meeting.

3.2 Membership List. At least ten (10) days before every election of the directors, a complete list of the members of the Association, arranged alphabetically, shall be prepared by the Secretary. Such list shall be maintained by the Secretary of the Association and shall be open to examination by any member at any reasonable time and on reasonable notice.

3.3 Regular Meetings. Regular or annual meetings of the members of the Association shall be held on the first Monday of December of each year, beginning with the year 2003.

3.4 Special Meetings.

3.4.1 Special meetings of the members for any purpose may be called at any time by the President, and shall be called by the President or Secretary at the request, in writing, of either a majority of the Board of Directors or ten percent (10%) of the members. Such request shall state the purpose of the proposed meeting.

3.4.2 Business transacted at all special meetings shall be confined to the objects stated in the notice thereof.

3.5 Notice. Written notice of every meeting, special or regular, of the members of the Association, stating the day and hour and place and, in the case of special meetings, the object or objects thereof, shall be delivered or mailed to each member at such member's address as shown in the books of the Association at least ten (10) days prior to such meeting unless waived in writing.

3.6 Waiver of Notice. Whenever any notice is required to be given to any member under the provisions of the Alabama Constitution, Alabama Nonprofit Corporation Act, or the Articles of Incorporation or Bylaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

3.7 Proxies. At any meeting of the members of the Association, each member in good standing shall be entitled to vote in person or by proxy. However, no proxy shall be valid unless it is granted to a lot owner who is also a member in good standing. Each proxy will be valid for only one meeting and will be retained by the Secretary of the Association. No lot owner may cast more than one proxy vote. No proxy vote may be cast on behalf of a member who is present at a meeting.

3.8 Vote Required to Transact Business. When a quorum is present at any meeting, the decision on any question/vote brought before the meeting will be decided based on a simple majority of member votes and proxies present at that meeting. If the question is one which requires more than a majority vote by express provision of any statute, the Articles of Incorporation, or these Bylaws, the express provision shall govern and

control the number of votes required. In all cases, except where specifically stated to the contrary, where reference is made to percentage of the vote of members, percentage of the members, or percentage of the members for purposes of determining the vote thereof, the percentage stated shall mean the percentage of the voting rights of the members.

3.9 Quorum. Twenty-five (25%) percent of the total number of voting rights of the Association present in person or represented by proxy, shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by statute or these Bylaws. If a quorum is not present at any meeting, the members may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. No business may be transacted at any adjourned meeting until a quorum is present.

ARTICLE IV **DIRECTORS**

4.1 Number. The affairs and business of the Association shall be managed by a Board of Directors, consisting of not less than five (5) nor more than nine (9) persons. The number of directors shall be determined pursuant to these Bylaws. Each director shall be a person entitled to cast a vote in the Association and in good standing.

4.2 Term. Each director shall be elected to serve a term of three (3) years. The terms for the directors will be staggered so that all five (5) directors will never be replaced at the same time. The schedule for this rotation will be determined by the directors.

4.3 Vacancy and Replacement. If the office of any director becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining directors, though less than a quorum, at a special meeting of directors duly called for this purpose, shall choose a successor or successors who shall hold office for the unexpired term in respect to which such vacancy occurred.

4.4 Election of Directors. Election of directors shall be conducted in the following manner.

4.4.1 Directors shall be elected from Avalon members, in good standing, at the annual meeting of the members.

4.4.2 The Board shall nominate one (1) person for each director to be elected not less than 30 days prior to the members' meeting. Additional nominations may be made from the floor by members in good standing.

4.4.3 The election shall be by secret ballot (unless dispensed with by unanimous consent). The nominees receiving the greatest number of votes cast shall be elected to the Board.

4.5 Removal from Office.

4.5.1 For cause. Directors may be removed for cause by an affirmative vote of three-fourths (3/4) of the members voting. No director shall continue to serve on the Board if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever.

4.5.2 Moving from Avalon. Any board member offering their home for sale with the intent to move out of Avalon, will be immediately removed from the Board.

4.6 Powers and Duties of Board of Directors. All of the powers and duties of the Association under the Alabama law shall be exercised by the Board of Directors, or its delegate, subject only to approval by the members when such approval is specifically required. The powers and duties of the directors shall include, but are not limited to, the following:

4.6.1 Assess. To make and collect an annual maintenance charge against members to pay the expenses incurred by the Association in carrying out the objects and purposes of the Association.

4.6.2 Disburse. To use the proceeds of assessments in the exercise of its powers and duties.

4.6.3 Enforce. To enjoin or seek damages from the members for violation of these Bylaws, Avalon's Restrictive Covenants or any Board approved rules and regulations.

4.6.4 Employ. To employ and contract with service contractors in connection with carrying out the objects and purposes of this Association.

4.7 Annual Statement. The Board will present a full and clear statement of the business and condition of the Association and an account of the financial transactions of the past year at the annual meeting of the members.

4.8 Compensation. The directors shall not be entitled to any compensation for service as directors.

ARTICLE V **DIRECTORS MEETINGS**

5.1 Organizational Meetings. The first meeting of each new Board elected by the members shall be held within one week of the membership meeting or as soon after as practicable.

5.2 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director personally or by mail, electronic mail (email), or telephone, at least three (3) days prior to the day named for such meeting.

5.3 Special Meetings. Special meetings of the Board may be called by the President on five (5) days' notice to each director. Special meetings shall be called by the President or Secretary in like manner and on like notice upon the written request of three (3) directors.

5.4 Waiver of Notice. No written notice of a Board meeting shall be required if all of the directors meet by unanimous consent. The directors may, by resolution duly adopted, establish regular monthly quarter-annual or semi-annual meetings. If such resolution is adopted, no notice of such regular meetings of the Board shall be required. Any required notice may be waived in writing signed by the person entitled to such notice whether before or after the time stated therein.

5.5 Quorum. A quorum at a directors' meeting shall consist of a majority of the entire Board. The acts approved by a majority of those present at a meeting at which a quorum is present, shall constitute the act of the Board, except when approval by a greater number of directors is required by statute or by these Bylaws.

5.6 Adjourned Meetings. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called, may be transacted without further notice.

5.7 Joinder in Meeting by Approval of Minutes. The joinder of a director in any action taken at a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director for the purpose of determining a quorum.

ARTICLE VI **OFFICERS**

6.1 Officers. Within one week of the annual meeting the director's will meet in executive session to appoint a President, Vice-President, Treasurer, Secretary and Architectural Control officer. The Board may appoint such other officers and agents that it may deem necessary, who shall hold office at the pleasure of the Board and have such authority and perform such duties as from time to time may be prescribed by said Board.

6.2 Qualification. No person shall be entitled to hold office except a lot owner in the Subdivision. A lot owner must be a member in "good standing." Good standing will be defined as having paid: yearly dues, special assessments, liens, and fines as well as having no documented unresolved Architectural Control (AC) violations.

6.3 Term. The officers of the Association shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of three-fourths (3/4) of the members of the Association.

6.4 The President. The President shall be the chief executive officer of the Association; the President shall preside at all meetings of the members and directors; shall be an ex-officio member of all standing committees; shall have general management of the business of the corporation, and shall see that all orders and resolutions of the Board are carried into effect.

6.5 The Secretary.

6.5.1 The Secretary shall keep the minutes of the members' meetings and of the Board of Directors' meetings electronically and by hard copy.

6.5.2 The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

6.5.3 The Secretary shall be custodian of the corporate records, except those of the Treasurer.

6.5.4 The secretary will maintain a current list of active AC violations and other unpaid issues by lot number. At the end of each month the Secretary will provide this list to each director for correction and when corrected a copy will again be sent to each director.

6.5.5 In general, the Secretary shall perform all duties incident to the office of the Secretary and such other duties as may be assigned to him by the President or by the Board of Directors.

6.6 The Vice President. The Vice President shall be vested with all the powers and required to perform all the duties of the President in his absence, and such other duties as may be prescribed by the Board of Directors.

6.7 The Treasurer.

6.7.1 The Treasurer shall keep full and accurate accounts of all financial records of the Association including receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may be designated by the Board of Directors or these Bylaws. The Treasurer shall keep the financial records and books of account of the Association in accordance with good accounting practices, shall keep detailed, accurate records of the receipts and expenditures; and the Treasurer shall perform other duties incident to the office of Treasurer. The records, books of account, and the vouchers authorizing payments, shall be available for examination by a member of the Association at convenient hours of week days. The Treasurer shall provide each board member month end financial reports. Board members have 14 calendar days to comment on said reports. If no comments, it is considered accepted.

6.7.2 The Treasurer shall disburse the funds of the Association as ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and directors at the regular meetings of the Board, an account of all his transactions as Treasurer, and of the financial condition of the Association. Two board members will be required to approve invoices in excess of \$100.00. Recurring invoices over \$100 per month shall require only first-time approval by two Board members. If the amount or amounts of such recurring invoice or invoices changes or change, the Treasurer shall inform the Board of such change(s) and would require reapproval by two Board members. Approved Recurring Invoice Approval forms shall be submitted to the Secretary and be included as part of the Board of Directors meeting minutes.

6.7.3 The Treasurer shall keep a register of post office address and email addresses of each member, which shall be furnished to the Treasurer by such member.

6.8 Architectural Control Officer

6.8.1 The Architectural Control Officer (ACO) will be the chairperson of the Architectural Control Committee (ACC). The functions of the Architectural Control Committee are spelled out in the Declarations of Conditions, Restrictions And Protective Covenants For Avalon Subdivision (The Covenants), recorded on April 1, 2003.

6.8.2 In addition the ACO will continually monitor the progress of new and subsequent improvement construction approved by the ACC. The ACO will keep the Board informed of all significant issues relating to these construction projects.

6.8.3 The ACO will be responsible for the monitoring of existing homes and vacant lots in Avalon as to their compliance with The Covenants. The ACO will keep the Board informed of significant and or habitual violations of The Covenants.

6.8.4 The ACO will notify homeowners of violations to The Covenants and if violations are not corrected in a timely manner fines and or other negative feedback measures will be employed to bring the home or lot into compliance.

6.8.5 The ACO will have overall responsibility for the landscape maintenance contracts within Avalon. This responsibility may be delegated in whole or part as appropriate.

6.9 Vacancies. If an office becomes vacant by reason of death, resignation, and disqualification or otherwise, the remaining directors by a majority vote may choose a successor or successors who shall hold office for the unexpired term.

6.10 Resignations. Any director or other officer may resign his office at any time, such resignation shall be made in writing, to the Secretary, and shall take effect at the time of its receipt by the Association, unless some time be fixed in the resignation, and then from that date. The acceptance of a resignation shall not be required to make it effective.

ARTICLE VII
APPROVAL BY MEMBERS

7.1 Approval by Members. The Association shall act through its Board of Directors, and only the following matters (in addition to any others which may be required by law) shall require an affirmative vote of the members of the Association:

<u>Matter to be Approved</u>	<u>Approval Required</u>
(1) Amendment of Articles of Incorporation	2/3 of Votes Cast (in person or by proxy)
(2) Removal of Directors and Officers	3/4 of Votes Cast (in person or by proxy)
(3) Special Assessments	2/3 of Votes Cast (in person or by proxy)

ARTICLE VIII
LIABILITY

8.1 Liability. The Association assumes no responsibility for injuries sustained by or damages resulting from the acts or omissions of members or contractors of the Association.

ARTICLE IX
AMENDMENT OF BYLAWS

9.1 Bylaws. The Bylaws of the Association may be altered, amended or repealed by a majority vote of the Directors.

ARTICLE X
CONDUCT OF MEETING

10.1 Meetings. All meetings of the members and of the Board shall be governed by the most recent edition of Robert's Rules of Order.

ARTICLE XI
PARLIAMENTARIAN

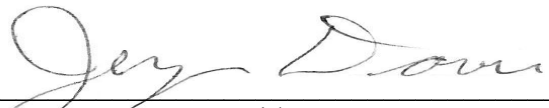
11.1 Parliamentarian. A parliamentarian shall be appointed to act as parliamentarian at all meetings

of the Board of Directors of the Association and a parliamentarian shall be appointed to act as parliamentarian at all meetings of the members. The Parliamentarian shall see that all meetings are conducted in an orderly manner in accordance with Section 10.1 of these Bylaws.

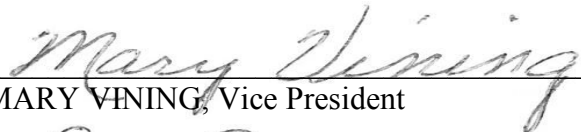
ARTICLE XII
CONFLICT

12.1 Conflict. In the event there shall exist a conflict between these Bylaws and the Articles of Incorporation, the Articles of Incorporation shall govern.


IN WITNESS WHEREOF, we, being all of the directors of the Avalon Homeowner's Association, Inc., have hereunto set our hands this 1st day of December, 2011.



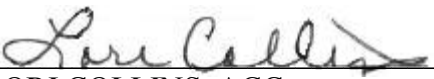
JERRY DAVIS, President



MARY VINING, Vice President



DAN DETMAN, Treasurer



LORI COLLINS, ACC

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of the Avalon Homeowner's Association, Inc., and THAT the foregoing Bylaws constitute the amended Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 1st day of December, 2011.

IN WITNESS WHEREOF, I have hereunto subscribed my name on this 1st day of December, 2011.



JASON LECLEAR, Secretary