

**CONSTITUTION AND BY-LAWS
OF THE
HOME BUILDERS ASSOCIATION OF FAYETTEVILLE
NORTH CAROLINA, INC.**

CONSTITUTION & BY-LAWS

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Constitution

ARTICLE I (Name)

Section 1. The name of this Association shall be the Home Builders Association of Fayetteville, North Carolina, Inc.

Section 2. The principal office of this Association shall be located at 2935 Breezewood Ave. Suite 100, Fayetteville, NC 28303 or such other place as the Board of Directors may designate.

ARTICLE II (Affiliation)

Section 1. This Association shall operate for the benefit of the home builders and those engaged in allied industries in the territorial jurisdiction assigned by the National Association of Home Builders as an Affiliated Association of the North Carolina Home Builders Association, Inc. and the National Association of Home Builders.

- (a) To associate home builders within the above described jurisdiction for the purpose of mutual advantage and cooperation.
- (b) To cooperate with all branches of the home building industry including manufactures, dealers and financial institutions within said jurisdiction for the purpose of mutual advantage and for the benefit of the industry as a whole.
- (c) To maintain high professional standards and sound business methods among its members through the enforcement of its Code of Ethics.
- (d) To secure cooperative action in advancing the common purpose of its members; and proper consideration of the opinion upon questions affecting the home building industry within the jurisdiction of this Association.

- (e) To assist in the accomplishment of the mutual objectives of the North Carolina Home Builders Association, Inc. and the National Association of Home Builders.
- (f) To assist the Officers, Board of Directors and Membership Committee of the National Association of Home Builders in qualifying members operating within the above described territorial jurisdiction.
- (g) To participate for the purpose of mutual benefit in an interchange of information and experience with all other local affiliated associations of the National Association of Home Builders.
- (h) To operate with no part of its net earnings being of benefit to any private shareholder or individual and in accordance with IRS code 501 (c) (6).

**ARTICLE III
(Members)**

Section 1. The Active Members of this Association shall be limited to those persons and firms who shall subscribe to the following Code of Ethics:

- (a) Members of the Home Builders Association of Fayetteville, North Carolina, Inc. believe and affirm that:
 - (1) Home ownership can and should be within the reach of every American family
 - (2) Homes should be well-designed, well-constructed and well located in attractive communities, with educational, recreational, religious and shopping facilities accessible to all.
 - (3) Homes should be built under the American Free enterprise system
- (b) To achieve these goals, we pledge allegiance to the following principles and policies:
 - (1) Our paramount responsibility is to our customers, our community and our country.
 - (2) Honesty is our guiding business policy.
 - (3) High standards of health, safety and sanitation shall be built into every home.
 - (4) Members shall deal fairly with their respective employees, subcontractors and suppliers.
 - (5) As members of a progressive industry, we encourage research to develop new materials, new building techniques, new building equipment and improved methods of home financing, to the end that every home purchase may get the greatest value possible for every dollar.
 - (6) All sound legislative proposals affecting our industry and the people we serve shall have our informed and vigorous support.
 - (7) We hold inviolate the free enterprise system and the American Way of Life. We pledge our support to our associates, our local, state and national associations and all related industries concerned with the preservation of legitimate rights and freedoms.
- (c) We assume these responsibilities freely and solemnly, mindful that they are part of our obligation as members of the Home Builders Association.

**ARTICLE IV
(Amendments)**

Section 1. This Constitution may be adopted or amended by a vote of two-thirds (2/3) of the Builder Members present at any meeting provided the number of the Builder Members in attendance at

such constitutes a quorum and provided further that a copy of the proposed amendments shall have been mailed or electronically mailed to each member of the Association not less than five (5) days prior to the meeting at which action is to be taken thereon.

Section 2. These By-Laws may be adopted or amended by a vote of two-thirds (2/3) of the entire Board of Directors, provided that each member of the association has been notified at least five (5) days prior to the meeting at which action is to be taken thereon and that copies of the proposed changes are available at the Association Office for the members. Notice in the newsletter shall constitute proper notice.

By-Laws

ARTICLE I (Membership)

Section 1. Membership in this Association shall be of three classes:

- (a) Builder Membership
- (b) Associate Membership
- (c) Affiliate Membership

Section 2. Qualifications for Membership in this Association shall be of three classes:

- (a) Builder Membership shall be open to any person, firm or corporation whose principal business is residential or commercial construction within the territorial jurisdiction of this Association and who shall agree to abide by the provisions of the Constitution and By-Laws (and any amendments thereof), who shall subscribe to the foregoing Code of Ethics and who shall meet with the approval of the Board of Directors and shall meet such requirements as the Board of Directors may from time to time consider necessary.
- (b) Associate Membership shall be open to any person, firm or corporation engaged in any allied trade, industry or profession within the territorial jurisdiction of this Association who shall meet with the approval of the Board of Directors and shall meet such requirements and pass such examinations as the Board of Directors any from time to time consider necessary.
- (c) Affiliate Membership may be held by employees of either Builder Members or Associate Members, providing however, this class of membership shall only be permitted to extend to persons employed in business with active members, in good standing, of either Builder or Associate Member classification.

Section 3. Application for Membership in this Association shall be made to the Membership Committee and processed in the following manner:

- (a) Candidate shall submit the application in writing on a form supplied by the Association containing an agreement to abide by the By-Laws and observe the Code of Ethics of this Association.
- (b) Application shall be endorsed by the Board of Directors and shall be accompanied by a payment in the amount sufficient to cover the initiation fee and the current year's dues. All payments so made shall be returned in full if membership is not approved. Approved membership dues are non-refundable.
- (c) The Membership Committee shall make their recommendations to the Board of Directors for whom shall be vested the exclusive right to elect to membership, quorum at the Board of Directors meeting shall be required to elect to membership.
- (d) When elected to membership in this Association, the applicant automatically becomes a member of the North Carolina Home Builders Association, Inc., and the National Association of Home Builders.

Section 4. Suspension, termination and reinstatement of membership in this Association shall be accomplished in the following manner:

- (a) Any member, whose dues are not paid in full, as required by the National Association of Home Builders, shall be automatically dropped from membership of this Association.

- (b) Any member may be censured, suspended, or expelled from the Association, if in the opinion of the Board of Directors, as evidenced by a meeting quorum of the Board of Directors, it shall be considered desirable or for the best interests of the Association or its members that the said members be censured, suspended or expelled.
- (c) Any member expelled shall not be eligible for reinstatement for a period of one year from the date of expulsion.
- (d) A meeting quorum of the Board of Directors shall be required to reinstate any member who has been expelled, suspended or dropped pursuant to the provisions of Article I, Section 4.
- (e) Upon death of a member or dissolution of a member company of an affiliate member, such membership may be transferred for the balance of the fiscal year to another party designated by the personal representative of the deceased or by the resigning member, upon approval of the Board of Directors.

Section 5. Meetings of the Membership shall be held as follows:

- (a) An annual meeting of this Association shall be held November each year for the purpose of installation of the officers and directors to the Board of Directors and reviewing the affairs of the Association for the past year.
- (b) Regular meetings of the membership of this Association shall be planned by the incoming leadership and published to the membership on the website.
- (c) Special meetings of the membership of this Association shall be called at any time by the President or Board of Directors.
- (d) Notice, in writing, shall be mailed or emailed giving the date, hour and place of all meetings to each member at least five days in advance of said meeting.
- (e) Members shall furnish the Association with their official address and/or email and the mailing of any notice to such address shall be deemed service of such notice or notices upon them as of the date of mailing the same.
- (f) Roberts' Rule of Order shall govern the procedure of all meetings of this Association.

ARTICLE II
(Fiscal Year)

Section 1. The fiscal year of this Association shall commence January 1st and end on December 31st each year.

ARTICLE III
(Dues)

Section 1. Dues for all classes of membership of the Association shall be set by the Board of Directors annually and paid at time of application to this Association. Such fee shall be returned if membership is not approved. A one-time processing fee shall be set annually by the Board of Directors and will apply to new members or members who are past the lapsed period of 120 days

ARTICLE IV

(Membership Certificate & Logo)

Section 1. Each member shall receive a membership certificate upon joining and paying of dues for the current year.

Section 2. This Association may use on all its stationary and literature the official logo of the National Association of Home Builders and the North Carolina Home Builders Association.

Section 3. Members of the Association may use on their stationary and literature the official logos of the National Association of Home Builders, North Carolina Home Builders Association and the Home Builders Association of Fayetteville.

ARTICLE V

(Board of Directors)

Section 1. A Board of Directors of fifteen in numbers shall be the governing body of this Association. There shall be three classes of Directors serving three year terms. Each class shall include two builder members and one associate or affiliate member. Each new class of Directors shall be selected by the President Elect through the Nominating Committee and approved by the Board of Directors. The terms of office shall begin December 1 and expire on the third year November 30.

(a) After a director is off the Board of Directors for one year, he/she would be eligible to serve on the Board of Directors in a new class of directors.

Section 2. The President, President Elect, Vice-President, Secretary, Treasurer and Immediate Past President comprise the Executive Committee. The Executive Officer shall be included in the Executive Committee meetings as requested by the President.

(a) This committee shall, between meetings and subject to the approval of the Board of Directors, conduct the affairs of the Association in accordance with these Bylaws and the policies adopted by the Board of Directors.

(b) This committee shall meet upon the call of the President, officer or any director on the Board of Directors. A quorum must be present for any items that require a vote.

Section 3. The President shall be Chairman of the Board of Directors.

Section 4. Vacancies on the Board of Directors occasioned by death, resignation or otherwise shall be filled by appointment of the President and the person so appointed shall serve the unexpired term of the person he replaces.

Section 5.

(a) State Directors--Local associations shall be entitled to one State Director who shall be the local association President, who shall be a builder member, and is also entitled to elect additional State Directors and alternate State Directors in proportion to its builder membership as of August 31st each year as follows: up to 25, one director and one alternate, 26 to 75 two directors and two alternates and 76 or more three directors and three alternates. These directors are appointed by the local President with approval of the local Board of Directors.

(b) National Director--National Director slots are calculated based on the number of active NAHB builder members within a local association as of October 31 the year prior. Slots

allocated to local associations remain the same for the entire NAHB Board term and does not fluctuate throughout the year as membership numbers ebb and flow. These directors are to be appointed by the local President with approval from the local Board of Directors

Section 6. Meetings of the Board of Directors shall be held as follows:

- (a) Regular monthly meetings of the Board of Directors of the Association shall be held at such time as the President may direct.
- (b) Special Meetings of the Board of Directors may be called by the President or upon formal request in writing of five (5) of its members.
- (c) Notice of the date, hour and place of all meetings, except the annual meeting, must be given to the Directors at least five (5) days in advance.
- (d) Any member of the Board of Directors with three (3) consecutive absences or 2/3 of the total scheduled monthly meeting of officers and directors must relinquish their seat on the Board of Directors.
- (e) Board of Directors has the authority to waive the requirement stated in Article V, Section 6, and temporarily appoint a replacement.

Section 7. The Board of Directors shall be granted such additional powers and such authority as shall be granted to this Association by Corporate Charter under the laws of the State of North Carolina relating to non-profit corporations. The Home Builders Association is a 501 (c) (6) non-profit.

ARTICLE VI

(Officers)

Section 1. Only Builder Members may hold office as President, President Elect or Vice President. The term of office of the Officers shall be from December 1st or election, to November 30th of the following year.

- (a) The President shall be the chief officer of this Association and shall preside at its meetings and those of the Board of Directors. The President or their designee shall act as the spokesperson of this Association. The President shall appoint all committees, shall be an ex-officio member of all committees and shall perform all other duties usual to such office.
- (b) The President Elect or Vice-President one of which, in the absence of the President and at his or her direction, shall perform all the duties of the President.
- (c) A Treasurer shall be responsible to the Association for an accounting of all monies collected and disbursed by the Association, shall render a semi-annual report to the Board of Directors and an annual report to the membership and shall also serve as chairman of the Finance Committee. Treasurer shall serve a three year term.
- (d) A Secretary shall keep a record of all the official proceedings of this Association and its Board of Directors, including the reports of the executive committee. Secretary shall serve a three year term.
- (e) The Office of Secretary and the Office of Treasurer may be combined into one office of Secretary-Treasurer at the discretion of the Board of Directors.

Section 2 An Executive Officer shall serve as the chief administrative officer of this Association. Duties: It shall be the duty of the Executive Officer to employ and supervise an adequate staff and performs such other duties as may be delegated to him/her by the Board of Directors. Refer to the Executive Officer job description for all details.

ARTICLE VII

(Voting, Proxy & Quorums)

Section 1. The voting privilege shall be limited as follows:

- (a) At meetings of the Membership all members in good standing shall have the right to vote
- (b) At meetings of the Board of Directors only members of the Board of Directors will have the right to vote.

Section 2. Votes may be cast by proxy in the following manner: A proxy must bring with him or her written document signed by the member of record indicating authorization to cast a proxy vote.

Section 3. A simple majority vote shall decide an issue, provided a quorum is present.

- (a) A quorum of membership shall consist of 10% of each membership category, Builder, Associate and Affiliate.
- (b) A quorum of the Board of Directors shall consist of not less than one-half (1/2) of its members.

ARTICLE VIII

(Nominating)

Section 1. The Nominating Committee shall:

(a) Present to the Board of Directors a slate of candidates to serve terms to replace the directors whose regular terms are expiring. Each candidate must be an active member in good standing, must have no less than two consecutive years of membership in the association and must have agreed to accept the responsibility of a directorship.

(b) Upon approval from the Board of Directors the slate of directors shall be electronically transmitted to each active member in good standing. Members will cast their vote through electronic transmission by the due date specified in the correspondence.

(c) Additional names of candidates for directors can be nominated by petition bearing the signatures of at least 20% of qualified members of the Association. Such petition shall be filed with the Nominating Committee within ten (10) days after notice has been given of the names of those nominated. The determination of the Nominating Committee as to the legality of the petition(s) shall be final.

(d) If no petition is filed within the designated period, the nominations shall be closed and the nominated slate of candidates shall be declared elected by the Board of Directors at their regular board meeting. If a legal petition shall present additional candidates, an election will be held.

ARTICLE IX

(Committees)

Section 1. There shall be the following standing committees:

(a) The Nominating Committee shall be composed of the following seven (7) members: The President, Immediate Past President, President Elect, Vice President and the remaining three (3) appointed by the President. Of those three (3) two (2) must be Builder members. The President shall appoint these committee members.

(b) The Membership Committee shall be composed of at least five (5) members and shall meet upon call of the Chairman. One half of the members shall constitute a quorum. This committee's focus is to recruit and retain membership.

(c) The Finance Committee shall be composed of six (6) members to include: President, President Elect, Vice President, Immediate Past President, the Treasurer and one Associate Board of Directors member and shall meet upon call of the Chairman. Three (3) members shall constitute a quorum. This Committee, shall monitor the funds of the Association in accordance with the annual budget and shall be a part of the planning of the annual budget. The Treasurer shall be Chairman of this Committee.

(d) Other Standing Committees shall be: Governmental Affairs, Home Show, Golf, and Special Events

(e) Special Committees or Ad Hoc Committees deemed appropriate shall be directed by the Board of Directors.

ARTICLE X

(Finance)

Section 1. Dues and other monies collected by this Association shall be placed in a depository selected by the Board of Directors. Authorized signers on this financial account are: the President, President Elect, Vice President, Secretary, Treasurer, or Immediate Past President. Each year a motion shall be made at the December Board of Directors meeting to change the authorized signers on the financial accounts to the current officers.

Section 2. The Board of Directors shall adopt a budget for each fiscal year and this Association shall function within the totals of such budget. Any expenditure over the budgeted amount of \$3,000 must be authorized by the Board of Directors.

Section 3. There shall be an annual review of the finances of this Association by an independent Certified Public Accountant and this together with a report from the Treasurer, shall be submitted to the Board of Directors.

Section 4. The Executive Committee of the Association has the authorization to grant the Executive Officer and any other officer of the Board of Directors of the Association to procure in the name of the Home Builders Association of Fayetteville, Inc. a credit card issued for the sole purpose of executive business-related expenditures on the behalf of, or directly for the Home Builders Association of Fayetteville, Inc. The authorization for the card limit shall be determined by the Board of Directors.

Section 5. The accounting processes of the association shall report the expenses and revenues of each event on the financial statement and tax return in the same fiscal year.

Section 6. In the event the Association is dissolved all net assets will be distributed to another charitable organization or foundation. The Board of Directors will vote on the specific organization or foundation.

