

MINUTES OF MEETING OF MEMBERS OF RIVERWALK OF HAYESVILLE PROPERTY OWNERS ASSOCIATION, INC, HELD ON MAY 15, 2009, AT 1:30 PM IN THE OFFICE OF NICHOLS & NICHOLS, ATTORNEYS AT LAW, IN HAYESVILLE, NC.

A called meeting of the members of the Riverwalk Property Owners Association was held on May 15, 2009, at 1:30 P.M. in the office of Nichols & Nichols, Attorneys at Law, in the town of Hayesville, N.C.

Present at said meeting were the following:

1. Garland Hogsed, representing Riverwalk of Hayesville, LLC, and as a director and President of Riverwalk of Hayesville Property Owners Association.
2. Tighe White, representing Riverwalk of Hayesville, LLC and as directors and Secretary of Riverwalk of Hayesville Property Owners Association.
3. Helen Mahoney as Vice President of Riverwalk of Hayesville Property Owners Association.
4. Joseph H. Mahoney and wife, Helen Mahoney, members of Riverwalk of Hayesville Property Owners Association.
5. Alfred Witt and wife, Julia Witt, members of Riverwalk of Hayesville Property Owners Association.
6. Mrs. Lucy Koles, member of Riverwalk of Hayesville Property Owners Association.

The members present constitute more than 75% of all members entitled to vote.

The members not present at the meeting were Emory R. Patton and wife, Melinda P. Patton, and Ms. Sybil Bell.

Also present at the meeting were the following persons who are not members of Riverwalk of Hayesville Property Owners Association: Gary W. Nichols, Bryan Lunsford, Heather Wise, Frank Bradley, and Linda White.

The first item of business was the statement by Tighe White, that the Notice of Meeting had been hand delivered to each of the members more than 10 days prior to the meeting and all members present waived any other requirement of Notice.

The second item of business was a motion made by Tighe White that the Covenants and Restrictions be amended to omit the requirement of a swimming pool. Mr. White, in his motion, stated that any references in the Covenants and Restrictions to said swimming pool, the maintenance of the swimming pool, or the use of the swimming pool, should be deleted from the Covenants and Restrictions. The motion was seconded by Mrs. Julia Witt, and was unanimously carried.

The third item of business was a motion made by Tighe White that the Homeowners Association approve a reduction in size of the community building to be more in keeping with the size of a county owned community building and parking necessary for the smaller community now planned for Riverwalk of Hayesville. Said motion was seconded by Mrs. Helen Mahoney

and was unanimously carried.

In the fourth item of business, Tighe White exhibited a plat showing a revision of the common area, and a motion was made by Tighe White that the Property Owners Association reconvey to Riverwalk of Hayesville, LLC, a portion of the 8.906 acre common area earlier conveyed by Riverwalk of Hayesville, LLC, to the Riverwalk Property Owners Association as set forth as the second parcel described in Deed Book 321 at page 183, records of Clay County, N.C., and that the officers elected by the Board of Directors or any one of the officers so elected execute said deed on behalf of the Riverwalk of Hayesville Property Owners Association to Riverwalk of Hayesville, LLC. The portion of the common area was previously reduced in size by the foreclosure of the deed of trust held by Walford Farms, which foreclosure included a portion of the said 8.906 acre tract. After the foreclosure, approximately 2 acres of that portion of the common area remains. Not to be reconveyed is the 0.212 acre tract for the entrance, and the 1.573 acre portion of the original 8.906 acre tract designated as "Common Rev-1 1.573 acres" shown on the plat exhibited.

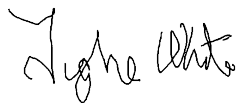
The motion was seconded by Mrs. Helen Mahoney, and was unanimously carried.

The fifth item of business was a motion made by Tighe White that the Covenants and Restrictions be amended to omit the requirement that occupancy of units be restricted to persons 55 years of age or older, and to remove all references in the Covenants and Restrictions to the subdivision being a retirement community and being so restricted by the covenants and restrictions. After considerable discussion, the motion was seconded by Mrs. Lucy Kole and was unanimously carried.

The sixth item of business was a discussion regarding the setting of Property Owner Association dues, but no action was taken changing the same and the issue was continued to the next meeting.

The meeting adjourned at 3:00 P.M..

Secretary

A handwritten signature in black ink that reads "Tighe White". The signature is written in a cursive, somewhat stylized font.