

**BYLAWS
FOR
HIDDEN POINTE HOMEOWNERS' ASSOCIATION, INC.**

ARTICLE I

NAME AND DEFINITIONS

Section 1.1. Name. The name of the association shall be Hidden Pointe Homeowners' Association, Inc. (the "Association").

Section 1.2. Definitions. Terms specifically defined in the Declaration of Hidden Pointe, as may be from time to time, and including all attachments (hereinafter referred to as the "Declaration") shall have the same meaning, in these Bylaws, unless the context shall otherwise prohibit. For purposes of these Bylaws, the North Carolina Planned Community Act at Chapter 47F of the North Carolina General Statutes, including any amendments thereto, shall be referred to herein as the "Planned Community Act" and the North Carolina Nonprofit Corporation Act at Chapter 55A of the North Carolina General Statutes, including any amendments thereto, shall be referred to herein as the "Nonprofit Corporation Act."

ARTICLE II

MEMBERSHIP AND VOTING

Section 2.1. Membership. A Person shall become a member of the Association pursuant to the terms and conditions of the Declaration.

Section 2.2. Notice of Membership. Upon acquiring title to a Lot, each new Owner shall give such notice to the Association as is set forth in the Declaration.

Section 2.3. Suspension or Termination of Membership. The membership rights of a member shall not be suspended so long as the Person continues to hold an interest in a Lot in fee simple, is not in violation of any provision of the Association Documents, and is not in arrears in the payment of any assessment.

Section 2.4. Vote/Voting Rights. The ownership of each Lot creates the right of one (1) vote for its owning member, or owning members collectively in the case of more than one Owner, on all matters upon which members vote as set forth in this Section. Members shall be entitled to vote on all matters as to which members may be entitled to vote under the Nonprofit Corporation Act, unless specifically provided otherwise in these Bylaws, the Articles of Incorporation, or the Declaration. In addition, members shall be entitled to vote on any other matters specifically provided for in the Declaration, the Articles of Incorporation, the Bylaws, or the Planned Community Act.

Section 2.5. Additional Provisions Governing Voting.

(a) Association Votes. If the Association is an Owner, the Association shall not cast the vote appurtenant to such Lot, nor shall any such vote be counted for the purpose of establishing a quorum.

(b) Multiple-Person Owners. In the event that more than one Person owns any Lot, the vote appurtenant to such Lot shall be cast as is provided by the Planned Community Act.

(c) Voting Certificate. If a member is not a natural person, any natural person authorized by such member may cast the vote by such member. Such natural person must be named and a certificate signed by an authorized officer, partner, member, or trustee of such Person and filed with the Secretary; provided, however, that any vote cast by a natural person on behalf of such member shall be deemed valid unless successfully challenged prior to the adjournment of the meeting at which the vote is cast. Such certificate shall be valid until revoked by a subsequent certificate similarly executed and filed with the Secretary. Whenever the approval or disapproval of a member is required by any of the Association Documents, any person who would be entitled to cast the vote of such member at any meeting of the Association may make such approval or disapproval.

(d) Delinquency. No member may vote at any meeting of the Association or be elected to serve on the Executive Board or be appointed to serve on any committee if payment by such member of any financial obligation to the Association is delinquent more than sixty (60) days and the amount necessary to bring the account current has not been paid by the record date set pursuant to Section 3.7 hereof for the applicable members' meeting (in the case of a member voting or being elected to serve on the Executive Board) or has not been paid by the date of appointment, in the case of appointment to serve on any committee.

Section 2.6. Manner of Voting. Except in the election of directors as provided in Section 4.1 herein, if a quorum is present, action on a matter at a meeting of members is approved as is provided by the Nonprofit Corporation Act.

Section 2.7. Proxies. Members may vote by proxy as is provided in the Nonprofit Corporation Act, as long as the provisions regarding voting by proxy in the Planned Community Act also are met.

ARTICLE III

MEETING OF MEMBERS

Section 3.1. Place of Meeting. All meetings of members shall be held at the principal office of the Association or at such other place within the State of North Carolina as shall be designated in the notice of the meeting.

Section 3.2. Annual Meetings. The annual meeting of members shall be held at such date and time as may be determined on an annual basis by the Executive Board and stated in the notice of such members' meeting. The annual meeting of members shall be held for the purpose of electing directors of the Association and for such other purposes as may be included in the notice of such meeting.

Section 3.3. Special Meetings. Special meetings of the members may be called at any time by (a) the President, or (b) a majority of the Board of Directors of the Association, and shall be called by the Secretary of the Association within thirty (30) days upon receipt of a written request signed, dated, and delivered to the Secretary by the holders of at least ten percent (10%) of all the votes entitled to be cast on any issue proposed in such request to be considered at the meeting or (c) as provided in the Declarations.

Section 3.4. Notice of Meetings. Notice of meetings of members shall be given in accordance with the requirements of the Nonprofit Corporation Act, and such notice shall contain any and all information required by the Planned Community Act and the Nonprofit Corporation Act.

Section 3.5. Waiver of Notice of Meetings. A member may waive any notice required by the Nonprofit Corporation Act, the Articles of Incorporation, or Bylaws pursuant to the requirements of the Nonprofit Corporation Act.

Section 3.6. Quorum. Unless provided otherwise in these Bylaws or the Declaration, thirty-three percent (33%) of the votes entitled to be cast on a matter, represented in person or by proxy at a meeting of members, shall constitute a quorum on that matter. Applicable provisions of the Planned Community Act because a quorum is not present shall govern any adjournment of any members' meeting.

Section 3.7. Record Date to Determine Members and List of Members. The record date for determining the members entitled to notice of a members' meeting shall be fixed in accordance with applicable provisions of the Nonprofit Corporation Act. Further, the corporation shall comply with the requirements regarding a list of members who are entitled to notice of a meeting as set forth in the Nonprofit Corporation Act.

ARTICLE IV

EXECUTIVE BOARD

Section 4.1. Number and Election of Directors. The number of directors constituting the Board of Directors shall be not less than five (5) nor more than seven (7) as from time to time may be fixed or changed within said minimum and maximum by the members or by the Board of Directors. The Board of Directors of the Association also may be referred to herein from time to time as the "Executive Board" or the "Board." Except as provided in Section 4.5(b) hereof, the directors shall be elected, and the number of directors for the upcoming year shall be determined, at the annual meeting of members; and those persons who receive the highest number of votes by the members entitled to vote in the election at a meeting at which a quorum is present shall be deemed to have been elected.

Section 4.2. Term of Office of Directors. Beginning with the directors to be elected at the first annual meeting of members to follow the adoption of these Bylaws (which adoption date is November 5, 2003), the directors shall be divided into two classes, as nearly equal in number as may be, to serve in the first instance for terms of one year and two years, respectively, and until their successors shall be elected and shall qualify, and thereafter the successors in each class of directors shall be elected to serve for terms of two years and until their successors shall be elected and shall qualify. In the event of any increase in the number of directors, the additional directors shall be so classified such that both classes of directors shall be increased equally, as nearly as may be, and, in the event of any decrease in the number of directors, both classes of directors shall be decreased equally, as nearly as may be. Except as specifically provided above, each director shall hold office for a term of two (2) years or until such director's death, resignation, retirement, removal or disqualification. Despite the expiration of a director's term, the director continues to serve as such until the director's successor is elected, designated, or appointed and qualifies, or there is a decrease in the number of directors.

Section 4.3. Qualifications. No person shall be eligible for election as a member of the Executive Board, or remain qualified to serve as a member of the Executive Board, unless such person is a member of the Association or is the individual nominee of a member, which is other than an individual. No member or representative of a member shall be elected as a director or continue to serve as a director if such member is more than sixty (60) days delinquent in meeting any financial obligation owed to the Association, if such delinquency is not cured by the record date set pursuant to Section 3.7 hereof for such members' meeting in the case of an election of directors.

Section 4.4. Voting, Quorum, and Manner of Acting. Each director shall be entitled to one (1) vote on all matters that come before the Association. The quorum for directors and the vote of directors constituting an act of the Executive Board is as set forth in the Nonprofit Corporation Act.

Section 4.5. Removal or Resignation of Directors and Filling of Vacancies.

(a) Removal. Directors may be removed pursuant to applicable provisions of the Nonprofit Corporation Act. In addition, any director who is elected and who misses two (2) consecutive meetings of the Executive Board, including all special and regular meetings, shall be removed automatically from the Executive Board and no action from the Board shall be required. The automatic removal and the reason therefore shall be noted in the minutes of the meeting of the Board at which the removal occurs.

(b) Filling of Vacancies. Vacancies on the Executive Board may be filled as is set forth in the Nonprofit Corporation Act.

(c) Resignation of Directors. A director may resign pursuant to the terms and conditions of the Nonprofit Corporation Act.

Section 4.6. Powers and Duties of the Board. The Executive Board shall manage the business and affairs of the Association. The Executive Board shall have all of the powers and duties necessary for the administration of the affairs of the Association, including, but not by way of limitation, all powers as set forth in Article 3 of the Nonprofit Corporation Act, and may do all such acts and things as are not required by the Declaration or Bylaws to be exercised and done by the members. The Executive Board shall delegate to one of its members or to a Person employed for such purpose the authority to act on behalf of the Board on such matters relating to the duties of the managing agent (as defined in Section 5.2 hereof), if any, which may arise between meetings of the Board as the Board deems appropriate. In addition to the duties imposed by any other provision of the Declaration or by any resolution of the Association that may hereafter be adopted, the Board shall perform the following duties and take the following actions on behalf of the Association:

(a) Provide goods and services to the members in accordance with the Declaration, and provide for maintenance, repair and restoration of the Common Elements and the Property, as provided in the Declaration.

(b) Designate, hire, dismiss and, where appropriate, compensate the personnel necessary to provide for the maintenance, repair and restoration of the Common Elements and the Property as provided for in the Declaration, and provide goods and services to the Owners, as well as purchase equipment, supplies and materials to be used by such personnel in the performance of their duties.

(c) Collect the assessments, deposit the proceeds thereof in depositories designated by the Executive Board and use the proceeds to carry out the maintenance, repair and restoration of the Common Elements and the Property as provided in the Declaration.

(d) Adopt, amend and repeal any reasonable rules and regulations not inconsistent with the Declaration.

(e) Open bank accounts on behalf of the Association and designate the signatories thereon.

(f) Enforce by legal means the provisions of the Association Documents as are in effect from time to time.

(g) Act with respect to all matters arising out of any eminent domain proceeding affecting the Common Elements.

(h) Notify the members of any litigation against the Association involving a claim in excess of ten percent (10%) of the amount of the annual budget.

(i) Obtain and carry insurance pursuant to Article 9 of the Declaration and pay the premiums there for and adjust and settle any claims there under.

(j) Pay the cost of all authorized goods and services rendered to the Association and not billed to Owners of Lots or otherwise provided for in the Declaration.

(k) Acquire, hold and dispose of Lots and mortgage the same without the prior approval of the Association if such expenditures and hypothecations are included in the budget.

(l) Charge reasonable fees for the use of the Common Elements and for services.

(m) Suspend the right of any Owner or other occupant of a Lot, and the right of such Person's household, guests, employees, customers, tenants, agents and invitees to use any recreational facilities, areas or amenities located in the Common Elements.

(n) For each fiscal year, the Board shall prepare and adopt a proposed budget, including therein estimates of the amount considered necessary to pay the Common Expenses, together with amounts considered necessary by the Board for reserves. Within thirty (30) days after the adoption of any proposed budget for the Association, the Board shall provide a summary of the budget to all Owners, and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) nor more than thirty (30) days after mailing of the summary. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all the Owners (based on one vote per Lot) reject the budget. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board.

(o) Adopt an annual budget and make assessments (general or special) against the Lots to defray the Common Expenses of the Association, establish the means and methods of collecting such assessments from the Owners and establish the period of the installment payment, if any, of the assessments for Common Expenses.

(p) Borrow money on behalf of the Association when required for any valid purpose.

Section 4.7. Meeting of Directors.

(a) Types of Meetings. Regular and special meetings of the Executive Board may be held as is provided by the Nonprofit Corporation Act.

(b) Notice. Notice of regular and special meetings of the Executive Board shall be made as is provided by the Nonprofit Corporation Act.

(c) Waiver of Notice. Waiver of notice by a director may be made as set forth in the Nonprofit Corporation Act.

ARTICLE V

MANAGING AGENT

Section 5.1. Compensation. The Executive Board may employ for the purpose of administering the Property and the Common Elements a "managing agent" at compensation to be established by the Board.

Section 5.2. Duties. The managing agent shall perform such duties and services, as the Executive Board shall direct. Such duties and services may include, without limitation, the duties listed in Section 4.6(a), (b), (c), (f), (j), and (n). However, the Executive Board may not delegate to the managing agent the powers set forth in Section 4.6(d), (e), (g), (h), (i), (k), (l), (m), (o), and (p). In addition and generally, the managing agent shall perform the obligations, duties and services relating to the management of the Property and Common Elements in compliance with the provisions of the Declaration. The Executive Board shall impose appropriate standards of performance upon the managing agent.

ARTICLE VI

OFFICERS

Section 6.1. Designation and Duties of Officers. The principal officers of the Association shall be the President (who shall also serve as Chairman of the Executive Board), the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. The Executive Board may also elect an assistant Treasurer, an assistant secretary and such other officers as in its judgment may be necessary. All officers shall be Owners, officers of corporate Owners, partners of partnership Owners, or members of limited liability company Owners and shall be members of the Executive Board. Each officer shall perform such duties as are normally associated with such office in parliamentary organizations, except to the extent, if any, inconsistent with the Declaration and these Bylaws, and shall perform such other duties as may be assigned to such office by resolution of the Executive Board. If any officer is unable for any reason to perform the duties of the office, the President (or the Executive Board if the President fails to do so) may appoint another qualified individual to act in such officer's stead on an interim basis.

Section 6.2. Election of Officers. The Executive Board shall elect the officers of the Association annually. Each officer shall hold office for a term one (1) year or until such officer's death, resignation, retirement, removal or disqualification, or until the election and qualification of such officer's successor.

Section 6.3. Removal and Resignation. Officers may resign and be removed as is set forth in the Nonprofit Corporation Act.

Section 6.4. Vacancies. Subject to the provision set forth Section 6.1 of these Bylaws, a vacancy in the office may be filled by appointment by the Executive Board. Individuals appointed to fill a vacancy by the Executive Board shall serve for the remainder of the term of the officer such individual replaces.

Section 6.5. President. The President shall be the principal executive officer of the Association and, subject to the control of the Executive Board, shall supervise and control the management of the Association in accordance with these Bylaws. The President, when present, shall preside at all meetings of members. The President, with any other proper officer, may sign any deeds, leases, mortgages, bonds, contracts or other instruments which lawfully may be executed on behalf of the Association, except where required or permitted by law otherwise to be signed and executed and except where the signing and execution thereof shall be delegated by the Executive Board to some other officer or agent. In addition, the President shall prepare, execute, certify, and record amendments to the Declaration on behalf of the Association. In general, the President shall perform all duties incident to the office of President and the Executive Board may assign such other duties as from time to time.

Section 6.6. Vice President. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice Presidents in the order of their length of service as Vice Presidents, unless otherwise determined by the Executive Board, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned by the President or by the Executive Board.

Section 6.7. Secretary. The Secretary shall: keep the minutes of all meetings of the Association and of the Executive Board; have charge of such books and papers as the Board may direct and as may be required by Article 16 of the Nonprofit Corporation Act; give or cause to be given all notices required to be given by the Association; give each Owner notice of each assessment against such Owner's Lot as soon as practicable after assessment is made; provide for each Owner, upon request, a copy of the Rules and Regulations of the Association; maintain a register setting forth the place to which all notices to members hereunder shall be delivered; make it possible for any member to inspect and copy at reasonable times and by appointment the records of the Association in accordance with and as required by the Nonprofit Corporation Act; and, in general, perform all the duties incident to the office of Secretary.

Section 6.8. Assistant Secretaries. In the absence of the Secretary or in the event of the Secretary's death, inability or refusal to act, the Assistant Secretaries in the order of their length of service as Assistant Secretaries, unless otherwise determined by the Executive Board, shall perform the duties of the Secretary, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. Assistant Secretaries shall perform such other duties as from time to time may be assigned by the Secretary, by the President, or by the Executive Board.

Section 6.9. Treasurer. The Treasurer shall have custody of all funds and securities belonging to the Association and shall receive, deposit or disburse the same under the direction of the Executive Board. The Treasurer shall maintain appropriate accounting records as may be required by law and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Executive Board.

Section 6.10. Assistant Treasurers. In the absence of the Treasurer or in the event of the Treasurer's death, inability or refusal to act, the Assistant Treasurers in the order of their length of service as Assistant Treasurers, unless otherwise determined by the Executive Board, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. Assistant Treasurers shall perform such other duties as from time to time may be assigned by the Treasurer, by the President, or by the Executive Board.

ARTICLE VII

COMMITTEES

Committees of the Executive Board and other committees may be set up in accordance with applicable provisions of the Nonprofit Corporation Act.

ARTICLE VIII

INDEMNIFICATION AND COMPENSATION

Section 8.1. Indemnification. The Association shall indemnify, to the fullest extent permitted by law and this Section, any person who is or was a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding (and any appeal therein), whether civil, criminal, administrative, arbitrative, or investigative and whether or not brought by or on behalf of the Association, by reason of the fact that such person is or was a director or officer of the Association, or is or was serving at the request of the Association as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise or as a trustee or administrator under an employee benefit plan, or arising out of such party's activities in any of the foregoing capacities, against all liability and litigation expense, including reasonable attorneys' fees; PROVIDED, however, that the

Association shall not indemnify any such person against liability or expense incurred on account of such person's activities which were at the time taken known or believed by such person to be clearly in conflict with the best interests of the Association or if such person received an improper personal benefit from such activities. The Association likewise shall indemnify any such person for all reasonable costs and expenses (including attorneys' fees) incurred by such person in connection with the enforcement of such person's right to indemnification granted herein.

The Association shall pay all expenses incurred by any claimant hereunder in defending a civil or criminal action, suit, or proceeding as set forth above in advance of the final disposition of such action, suit, or proceeding upon receipt of and undertaking by or on behalf of such claimant to repay such amount unless it ultimately shall be determined that such claimant is entitled to be indemnified by the Association against such expenses.

The Executive Board of the Association shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by this Bylaw, including without limitation, (a) a determination by a majority vote of disinterested directors (i) that the activities giving rise to the liability or expense for which indemnification is requested were not, at the time taken, known or believed by the person requesting indemnification to be clearly in conflict with the best interests of the Association and (ii) that the person requesting indemnification did not receive an improper personal benefit from the activities giving rise to the liability or expense for which indemnification is requested, and (b) to the extent needed, giving notice to the members of the Association.

Any person who at any time after the adoption of this Bylaw serves or has served in any of the aforesaid capacities for or on behalf of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Bylaw.

Section 8.2. Compensation of Directors and Officers. No salary or other compensation shall be paid by the Association to any director or officer of the Association for serving or acting as such, but this shall not preclude the payment of salary or other compensation for the performance by any person serving as a director or officer for services provided to the Association in a capacity other than that of director or officer nor shall it preclude the reimbursement of reasonable, ordinary and necessary expenses incurred in serving or acting as a director or officer.

ARTICLE IX

BOOKS AND RECORDS

Section 9.1. Maintenance. The Association shall keep books and records and financial information as required by applicable provisions of the Nonprofit Corporation Act and in compliance with the Planned Community Act.

Section 9.2. Availability. Any Owner and the Owner's authorized agents shall make all financial and other records of the Association reasonably available for examination. For this purpose, the books and records of the Association shall be available for inspection by the members and their attorneys and accountants pursuant to the terms and conditions of applicable provisions of the Nonprofit Corporation Act.

Section 9.3. Fiscal Year. The Executive Board shall fix the fiscal year of the Association.

ARTICLE X

AMENDMENTS

These Bylaws may be amended or repealed and new Bylaws may be altered, amended, or repealed at any time by the membership and by the Board of Directors pursuant to the applicable provisions of the Nonprofit Corporation Act.

ARTICLE XI

CONFLICT

Any conflict between the Planned Community Act and the Nonprofit Corporation Act as such laws relate to the operations and governance of the Association shall be resolved, to the degree possible, such the conflicting provisions of the two laws are consistent with one another. However, in the event of an irresolvable conflict between the provisions of the Planned Community Act and the Nonprofit Corporation Act, the provisions of the Planned Community Act shall control.

The foregoing was adopted as the By-Laws of Hidden Pointe Homeowners Association, Inc. at the first meeting of its Board of Directors.

Certified to be correct, this the _____ day of _____, 2003.

SECRETARY OF THE MEETING OF THE FIRST
BOARD OF DIRECTORS OF HIDDEN POINTE
HOMEOWNERS ASSOCIATION, INC.

I certify that the foregoing is a true copy of the By-Laws of Hidden Pointe Homeowners Association, Inc.

PRESIDENT OF THE MEETING OF THE FIRST
BOARD OF DIRECTORS OF HIDDEN POINTE
HOMEOWNERS ASSOCIATION, INC.

THESE BYLAWS OF HIDDEN POINTE HOMEOWNERS
ASSOCIATION ARE HEREBY ADOPTED BY
THE BOARD OF DIRECTORS THIS DATE
03-14-2007

Frederick Denmark
Paul DiPesauro
Linda L. Houck
Barbara Robertson
Jeff Dallas