

**BYLAWS
OF
PARKSIDE AT NOTTINGHAM
HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
OFFICES**

Section 1. Principal Office. The principal office of the Corporation shall be located at 401 Harrison Oaks Blvd., #250, Cary, Wake County, North Carolina. The principal office of the Corporation may be changed by the members of the Corporation at any annual meeting (or substitute annual meeting) or special meeting of the members of the Corporation by the vote of two-thirds (2/3) of the votes entitled to be cast at such meeting.

Section 2. Registered Office. The registered office of the Corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.

Section 3. Other Offices. The Corporation may have offices at such other places within the State of North Carolina, as the Board of Directors may designate or as the affairs of the Corporation may require from time to time.

**ARTICLE II
MEMBERS**

Section 1. Membership. The membership of the Corporation shall be composed of all of the record title owners of the residential lots in "PARKSIDE AT NOTTINGHAM Subdivision" (hereinafter referred to in these Bylaws as "PARKSIDE AT NOTTINGHAM Subdivision" or as the "Subdivision."), which said Subdivision is located near the City of Greensboro, Guilford County, North Carolina, as said Subdivision is now (or will be) depicted on all of the plats of said Subdivision recorded now or hereafter recorded by Pulte Home Corporation, a Michigan corporation (the "Developer" of "PARKSIDE AT NOTTINGHAM Subdivision"), its successors and/or assigns, in the Office of the Register of Deeds of Guilford County, North Carolina (the plats of said Subdivision being hereinafter collectively referred to in these Bylaws as the "Plats"). The members of the Corporation (whether Class "A" or Class "B") shall collectively be referred to herein as the "members" or the "membership." All of the owners of the residential lots in "PARKSIDE AT NOTTINGHAM Subdivision" must be members of this Corporation, either as a Class A or Class B member.

Section 2. Classes of Members. The Corporation shall have the following two (2) classes of members. The designation of such classes and the qualifications and rights of the members of each such class shall be as follows:

(a) CLASS "A": Except for Pulte Home Corporation, the developer of "Parkside at Nottingham Subdivision" (hereinafter referred to as either the "Declarant" or the "Developer"), its successors and/or assigns, and subject to the provisions of subparagraph (b) of this Section 2, each owner of each residential lot in "Parkside at Nottingham Subdivision" as depicted on the recorded "Plats" upon which a finished single-family residential dwelling has been erected shall be a Class "A" member and shall be entitled to one (1) vote for each such residential lot owned by such owner and may cast such vote at any regular or special meeting of the members of the Corporation. Class "A" members shall be entitled to cast their votes on any matter which may regularly come before the members at any regular and/or special meeting of the members of the Corporation, including, but not limited to, the election of the Directors of the Corporation. Only one (1) vote shall be allotted to each residential lot on which a finished single-family dwelling has been erected. Should a residential lot on which a finished single-family dwelling has been erected be co-owned by more than one owner, the owners thereof shall be entitled to cast only one (1) vote representing such residential lot. Should a Class "A" member own more than one such residential lot in "Parkside at Nottingham Subdivision," such member shall be entitled to one (1) vote for each such residential lot owned by Such Class "A" member. Upon conveyance by the owner(s) of a residential lot upon which a finished single-family dwelling has been erected to another person or persons, the membership in this Corporation for such residential lot shall automatically transfer to such new owner(s) of such residential lot and the previous owner(s) of such residential lot shall thereafter cause to be a Class A member as to such lot.

(b) CLASS "B": Pulte Home Corporation (the "Developer"), its successors and/or assigns, shall be the Class "B" member of this Corporation and shall be entitled to three (3) votes for each residential lot in "Parkside at Nottingham Subdivision," as depicted on the recorded "Plats," owned by said "Developer." The Class "B" member shall be entitled to cast its votes on any matter which may regularly come before the members at any regular and/or special meeting of the Corporation, including, but not limited to, the election of the Directors of the Corporation. Upon the completion of a single-family dwelling on seventy-five percent (75%) of the residential lots in "Parkside at Nottingham Subdivision" (as said lots are depicted on all of the recorded "Plats") and the conveyance of seventy-five percent (75%) of such residential lots by the Class B member to Class A members (homebuyers), or seven (7) years from the date of the execution of these By-Laws, _____, whichever occurs first, such Class B class of membership in this Corporation shall cease to exist and such Class B member shall thereafter have no further rights or interests in and to membership in this Corporation or its property, subject to the provisions of Section 2 of Article XII of these Bylaws.

Section 3. Termination of Membership. The Board of Directors of this Corporation, by affirmative vote of two-thirds (2/3) of all of the Directors, may suspend or expel a member for cause ("cause" being defined as a breach of the terms of these Bylaws or of the "Declaration") after an appropriate hearing, and may, by a majority vote of those present at any regularly constituted meeting of the Board, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall be in default in the payment of dues and/or assessments fixed in Article XI of these Bylaws or in the compliance with any of the Architectural Control requirements set out in Article X of these Bylaws or in the compliance with any of the Common Areas and Land Use provisions set out in Article VIII and in Article IX of these Bylaws. Subjection of a member to any one or more of the foregoing (i.e., suspension, expulsion, or termination) shall not relieve such member from such member's duty and obligation to pay the dues and/or assessments fixed in Article XI of these Bylaws or to comply with the provisions of Articles VIII, IX or X of these Bylaws or with any other requirements set forth in these Bylaws or in the "Declaration."

Section 4. Reinstatement. Upon written request signed by a former member and filed with the Secretary of this Corporation, the Board of Directors of this Corporation may, by the affirmative vote of two-thirds of the members of the Board, reinstate such former member to membership upon such terms as the Board of Directors deem appropriate.

ARTICLE III MEETINGS OF MEMBERS

Section 1. Place of Meetings. All meetings of the Shareholders shall be held at the principal office of the Corporation, or at such other place as shall be designated in the notice of the meeting or agreed upon by a majority of the votes of the members entitled to vote thereat.

Section 2. Annual Meetings. An annual meeting of the members shall be held on the second Tuesday in March of each year for the purpose of electing directors and for the transaction of such other business as may be brought before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding Tuesday. If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

Section 3. Substitute Annual Meeting. If the annual meeting shall not be held on

the day designated by these Bylaws, a substitute annual meeting shall be called in accordance with the provisions of Section 4 of this Article III. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 4. Special Meetings. Special meetings of the members may be called at any time by the President, the Board of Directors of the Corporation, the Class B Member, or not less than ten (10) of the Class A Members.

Section 5. Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of the members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of any members' meeting, by or at the direction of the President, the Secretary, the Class B Member, or the officers or persons calling the meeting; provided that such notice must be given not less than twenty (20) days before the date of any meeting at which a change in these Bylaws or the Charter of this Corporation will be proposed to the members. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

In the case of a special meeting or when required by statute or by these Bylaws, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called; but, in the case of an annual or a substitute annual meeting, the notice of meeting need not specifically state the business to be transacted thereat unless such a statement is required by the provisions of the North Carolina Nonprofit Corporation Act.

When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than thirty (30) days in any one (1) adjournment, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

Section 6. Voting Lists. At least ten (10) days before each meeting of the members of the Corporation the Secretary of the Corporation shall prepare an alphabetical list of the members entitled to vote at such meeting or any adjournment thereof, with the address of and number of votes held by each member, which list shall be kept on file at the registered office of the Corporation for a period of ten (10) days prior to such meeting, and shall be subject to inspection by any member at any time during the usual business hours. This list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection by any member during the whole time of the meeting.

Section 7. Quorum. The members holding ten percent (10%) of the votes that may be cast at any meeting, represented in person or by proxy, shall constitute a quorum at such meeting, except that at a substitute annual meeting of members, the number of votes there represented either in person or by proxy, even though less than ten percent

(10%) shall constitute a quorum for the purpose of such meeting. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

In the absence of a quorum at the opening of any meeting of members, such meeting may be adjourned from time to time, without further notice, by vote of the majority of the votes cast on the motion to adjourn; and at any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting.

Section 8. Proxies. Members may vote their votes either in person or by one (1) or more agents authorized by a written proxy executed by the member or by its/his/her duly authorized attorney in fact. A proxy is not valid after the expiration of eleven (11) months from the date of its execution, unless the person or entity executing it specifies therein the length of time for which it is to continue in force, or limits its use to a particular meeting, but no proxy shall be valid after ten (10) years from the date of its execution.

Section 9. Voting of Members. Subject to the provisions of Section 10 of this Article III and except in the election of Directors as governed by the provisions of Article IV hereof, the vote of a majority of the votes cast on any matter at a meeting of members at which a quorum is present shall be the act of the members on that matter, unless the vote of a greater number is required by law or by the Articles of Incorporation or Bylaws of this Corporation.

Section 10. Informal Action by Members. Subject to any other provisions contained in these Bylaws or in the Articles of Incorporation of this Corporation, and subject to any different requirements imposed by law, any action which may be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons or entities who would be entitled to vote upon such action at a meeting, and filed with the Secretary of the Corporation to be kept as part of the corporate records.

Notwithstanding any other provision(s) contained in these Bylaws, for so long as Pulte Home Corporation, its successors and/or assigns, shall own any residential lot or other real property in the "Subdivision," the "Declaration of Covenants and Restrictions for PARKSIDE AT NOTTINGHAM Subdivision" (the "Declaration") and these Bylaws may not be modified or amended by the members except with the written consent and approval of the Class B Member and the vote of at least two-thirds of the Class A members. In the event Pulte Home Corporation, its successors and/or assigns shall no longer own any of the residential lots or other real property in the "Subdivision," such "Declaration" and these Bylaws may be modified and/or amended without the written consent and approval of the Class B Member provided at least two-thirds of the Class A

members vote for such modification and/or amendment.

ARTICLE IV BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors. Except as otherwise expressly provided by law, the Articles of Incorporation of this Corporation, or these Bylaws, all of the power of this Corporation shall be vested in the Board of Directors. For so long as Pulte Home Corporation, a Michigan corporation, its successors and/or assigns shall own one or more of the residential lots in the "Subdivision," the Directors of this Corporation shall have no power to modify or amend the "Declaration of Covenants and Restrictions for PARKSIDE AT NOTTINGHAM Subdivision" or these bylaws without the written consent of Pulte Home Corporation, its successors and/or assigns.

Section 2. Number, Term and Qualifications. The number of Directors constituting the Board of Directors shall be at least three (3). Provided, however, that the number of Directors may be increased from time to time by Bylaws adopted by the members. Each Directors shall hold office until his death, resignation, retirement, removal, disqualification, or his successors shall have been elected and qualified. Directors need not be residents of the State of North Carolina or members of the Corporation.

Section 3. Election of Directors. The election of directors shall be a part of the order of business at each annual meeting of the members. Except as provided in Section 5 below, Directors shall be elected at any annual or substitute annual meeting of the members at which a quorum is present; and those persons who receive the highest number of votes shall be elected as Directors of this corporation. If any member demands, election of Directors shall be by ballot. Each director elected shall hold office until his successor is elected and qualifies.

Section 4. Removal. Any Directors may be removed at any time with or without cause by a vote of the members holding a majority of the outstanding votes entitled to be cast at an election of Directors. If any Directors are so removed, new Directors may be elected at the same meeting.

Section 5. Vacancies. Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining Directors even though less than a quorum, or by the sole remaining Director. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any Directorship to be filled by reason of an increase in the authorized number of Directors shall be filled only by election at an annual meeting or at a special meeting of members called for that purpose.

Section 6. Chairman of the Board. There shall be a Chairman and Vice-Chairman of the board of Directors elected by the Directors from their number at any meeting of the Board of Directors. The Chairman, or in his absence the Vice-Chairman, shall preside at all meetings of the Board of Directors, and each shall perform such other duties as may be directed by the Board of Directors. The Chairman and Vice-Chairman shall be officers of the Corporation.

Section 7. Compensation. The Directors of this Corporation shall not be compensated by the Corporation for their services as such, but the Board of Directors may provide for the payment of any or all expenses and costs incurred by directors in attending regular and special meeting of the Board of Directors. This shall not preclude directors from serving the Corporation in other capacities and receiving compensation for such other services.

ARTICLE V MEETINGS OF DIRECTORS

Section 1. Regular Meetings. An annual meeting of the Board of Directors shall be held each year immediately after, and at the same place as, the annual meeting of members. If the day fixed for the annual meeting shall be a legal holiday, the meeting shall be held on the next succeeding Tuesday. If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called by or at the request of the Board of Directors and such meeting shall be designated and treated for all purposes as the annual meeting. In addition, the Board of Directors may provide, by resolution, the time and place, either within or without the State of North Carolina, for the holding of additional regular meetings of the Board of Directors.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman or any two (2) Directors. Such a meeting may be held either within or without the State of North Carolina, as fixed by the person or persons calling the meeting.

Section 3. Notice of Meetings. The Secretary shall give notice of each annual meeting of the board of Directors by mailing such notice to each Director at least ten (10) days before the meeting. The Chairman or other persons calling a special meeting of the Board of Directors shall give notice thereof (or cause the Secretary to give notice) by mailing such notice to each director at least three (3) days before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a meeting of the Board of Directors, except as otherwise provided by law or the Articles of Incorporation or Bylaws of this Corporation. Notice for a special meeting of the Board of Directors need not specify the purpose for which the meeting is called.

Section 4. Waiver of Notice. Any Director may waive notice of any meeting, either before or after the meeting. Written waivers of notice shall be filed by the Secretary

with the corporate records or as part of the minutes of the meeting. The attendance by a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Directors attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. Quorum. A majority of the number of Directors fixed by these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 6. Manner of Acting. Except as otherwise provided in these Bylaws, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 7. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he shall file his written dissent to such action with the persona acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who votes in favor of such action.

Section 8. Informal Action by Directors. Action taken by a majority of the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all of the Directors and filed with the minutes of the proceedings of the board, whether done before or after the action so taken.

Section 9. Participation by Telephone. Any one or more of the Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications device that allows all persons participating in the meeting to hear each other. Participation by these mans shall be deemed presence in person at the meeting.

ARTICLE VI COMMITTEES

Section 1. Executive Committee. The Board of Directors, by resolution adopted by a majority of the number of Directors fixed by these Bylaws, may designate and appoint an Executive Committee which shall consist of two (2) or more Directors, which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the board of Directors in the management of the Corporation; provided, however, that no such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing the Bylaws; electing, appointing, or removing

any member of any such committee or any director or officer of the Corporation; electing, appointing, or removing any member of the Architectural Control Committee or exercising any of the authority granted to such Architectural Control Committee; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of any of the property and/or assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; amending, altering, or repealing any resolution of the Board of Directors that by its terms provides that it shall not be amended, altered, or repealed by such committee; or amending or modifying the "Declaration of Covenants and Restrictions for PARKSIDE AT NOTTINGHAM Subdivision" (the "Declaration"). The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

Section 2. Architectural Control Committee. The Board of Directors, by resolution adopted by a majority of the directors in office, shall designate and appoint a committee which shall be named the "Architectural Control Committee of PARKSIDE AT NOTTINGHAM Homeowners Association" (referred to in the "Declaration" and hereinafter in these Bylaws as the "Architectural Control Committee"), which said Architectural Control Committee shall consist of three (3) persons, who may or may not be members of the Corporation, two (2) of whom must also be directors of this Corporation. The Architectural Control Committee, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors with regard to architectural control for all real property owned by the Corporation, and any interest therein, and for all of the residential lots in "PARKSIDE AT NOTTINGHAM Subdivision" upon which have been erected finished single-family residential dwellings and which are not owned by Pulte Home Corporation (hereinafter referred to as the "Developer"), its successors and/or assigns. The Architectural Control Committee of PARKSIDE AT NOTTINGHAM Homeowners Association shall have the following powers and duties and limitations:

(a) to preserve, protect and maintain the "COMMON AREAS," if any, as depicted on the recorded "Plats" of PARKSIDE AT NOTTINGHAM Subdivision recorded in the Guilford County Registry, North Carolina; and

(b) to preserve, protect, maintain, erect and design, subject to any municipal ordinances or requirements, any signs, park and recreational facilities located within the "COMMON AREA" (and any trails, amenities, or personal property located therein), said "COMMON AREA" being as depicted on the "Plats" of "PARKSIDE AT NOTTINGHAM Subdivision" recorded in the Guilford County Registry, North Carolina; and

(c) to exercise all of the duties, powers and responsibilities set forth for the Architectural Control Committee in that certain "Declaration" by Pulte Home Corporation, a Michigan corporation ("Declarant") entitled "Declaration of Covenants and Restrictions for PARKSIDE AT NOTTINGHAM Subdivision" and recorded in the Guilford County Registry, North Carolina, a copy of which is attached hereto and incorporated herein by reference.

(d) to exercise architectural control over all of the residential lots in "PARKSIDE AT NOTTINGHAM Subdivision" as depicted on the recorded "Plats," subject to the following limitations:

(1) until a finished dwelling has been erected on a residential lot in "PARKSIDE AT NOTTINGHAM Subdivision" and such lot has been conveyed by the builder of such dwelling to a homebuyer, Pulte Home Corporation, as the "Declarant" under the "Declaration," its successors and/or assigns, shall have and shall retain complete power and authority to approve and/or disapprove the plans for any and all improvements erected on such residential lot in "PARKSIDE AT NOTTINGHAM Subdivision," including, but not limited to, the approval/disapproval of the dwelling to be erected on such residential lot and any fence(s), garage(s), outbuilding(s), accessory building(s), antenna(s) of any type, and other structure(s) to be erected on such residential lot; the approval/disapproval of any setback violation(s) for such residential lot; and the approval/disapproval of any waiver(s) and/or variance(s) required for such residential lot, so long as such approvals/disapprovals are in compliance with the "Declaration" and any applicable municipal and/or county ordinances. Upon such approval by the "Declarant," the residential lot and any dwelling, fence(s), garage(s), outbuilding(s), accessory building(s), antenna(s), and/or other structure(s) situated on said residential lot at the time of conveyance by the builder of the dwelling on such residential lot to the homebuyer shall be deemed to be in full compliance with all of the architectural control provisions of the Articles of Incorporation of this Corporation and with the architectural control provisions and other provisions of the Bylaws of this corporation and the "Declaration;" and

(2) the "Architectural Control Committee" shall have no power with regard to a residential lot in "PARKSIDE AT NOTTINGHAM Subdivision" until such time as a single-family dwelling has been constructed on such residential lot and such lot has been conveyed by the builder of such dwelling to a homebuyer. Thereafter the "Committee" shall have full power and authority to require that the owner(s) of any such residential lots in "PARKSIDE AT NOTTINGHAM Subdivision" on which have been erected a finished single-family dwelling comply with all of the "architectural control" and other provisions contained in the "Declaration" and in these Bylaws, including, but not limited to, the right to approve or disapprove any external improvements to be made to the completed dwelling erected on such residential lots; to approve or disapprove any fence(s), garage(s), outbuilding(s), accessory building(s), antenna(s) of any type, and any other structure(s) to be erected on any such residential lots; to approve or disapprove in writing any setback violation(s) regarding such residential lots; and to approve or

disapprove in writing any waiver(s) and/or variance(s) required for such residential lots, so long as such approvals/disapprovals are in compliance with the "Declaration" and any applicable municipal and/or county ordinances; and

(3) for so long as Pulte Home Corporation, its successors and/or assigns, shall own any of the residential lots and/or other real property depicted on the recorded "Plats" of "PARKSIDE AT NOTTINGHAM Subdivision," neither the Corporation, nor the members of the Corporation, nor the Board of Directors, nor the Architectural Control Committee shall have any power or authority to amend the Bylaws or the Articles of Incorporation or of this Corporation or the "Declaration" without the written consent and approval of Pulte Home Corporation, its successors and/or assigns.

Section 3. Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as to otherwise provided in such resolution, members of each such committee shall be members of the Corporation, and the Chairman of the Corporation shall appoint the members thereof.

Section 4. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the directors of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated or unless such member be removed from such committee pursuant to the provisions of this Article VI, or unless such member shall cease to qualify s a member thereof.

Section 5. Vacancy. Any vacancy occurring in the Executive Committee or in the Architectural Control Committee shall be filled by a majority of the number of Directors fixed by these Bylaws at a regular or special meeting of the Board of Directors. Vacancies in the membership of any other committee may be filled by appointments made in the same manner as provided in the case of the original appointment to such committee.

Section 6. Removal. Any member of the Executive Committee or the Architectural Control Committee may be removed at any time with or without cause by a majority of the number of Directors fixed by these Bylaws. Any member of any other committee may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Section 7. Minutes. The Executive Committee and the Architectural Control Committee shall each keep minutes of its proceedings and report to the Board when required.

Section 8. Dissent by Director. If action taken by the Executive Committee is not thereafter formally considered by the Board, a Director may dissent from such action by filing his written objection with the Secretary with reasonable promptness after learning of such action.

Section 9. Chairman. One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 10. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of the majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 11. Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE VII OFFICERS

Section 1. Officers of the Corporation. The officers of the Corporation shall consist of a President, a Secretary, a Treasurer, a Vice-President, Assistant Secretaries, Assistant Treasurers and other officers as the board of Directors may from time to time elect. Any two (2) or more offices may be held by the same person, but no officer may act in more than one (1) capacity where action of two (2) or more officers is required. Officers need not be members of the Corporation.

Section 2. Election and Term. The officers of the Corporation shall be elected from the members of the Board of Directors by the Board of Directors and each officer shall hold office until his death, resignation, retirement, removal, disqualification or his successor shall have been elected and qualified.

Section 3. Compensation of Officer. The officers of the Corporation shall not be compensated for their services as such, but such officers shall be entitled to receive from the Corporation reimbursement for actual expenses incurred in the performance of their duties as officers.

Section 4. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby.

Section 5. Bonds. The Board of Directors may by resolution require any officer, agent, or employee of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of this respective office or position, and to comply with such other conditions as may from time to time be required

by the Board of Directors.

Section 6. President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors and in accordance with these Bylaws, shall in general supervise and control all of the business and affairs of the Corporation. He shall sign, with the Secretary, an Assistant Secretary, or any other proper officer of the Corporation thereunto authorized by the Board of Directors, certificates of membership of the Corporation (if any), any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 7. Vice-President. In the absence of the President or in the event of his death, inability or refusal to act, the Vice-President 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. The Vice-President may sign, with the Secretary or an Assistant Secretary, certificates of membership of the Corporation (if any); and shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors.

Section 8. Secretary. The Secretary shall: (a) keep the minutes of the meetings of members of the Corporation, of the Board of Directors and of the Executive Committee in one (1) or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as require by law; (c) be custodian of the Corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized; (d) keep a register of the post office address of each member of the Corporation which shall be furnished to the Secretary by such member; (e) sign with the President, or Vice-President, certificates of membership of the Corporation (if any), the issuance of which shall have been authorized by resolution of the Board of Directors (f) have general charge of the membership books of the Corporation; (g) keep or cause to be kept in the State of North Carolina at the Corporation's registered office or principal place of business a record of the Corporation's members, giving the names and addresses of all members and the number of votes and the class of ownership (Class A or Class B) held by each member, and prepare or cause to be prepared voting lists prior to each meeting of the members of this Corporation as required by law; and (h) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 9. Assistant Secretaries. In the absence of the Secretary or in the event of

his 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 Board of Directors, 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. They shall perform such other duties as may be assigned to them by the Secretary, by the President, or by the Board of Directors. Any Assistant Secretary may sign, with the President or a Vice-President, certificates of membership of the Corporation (if any).

Section 10. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipt for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such depositories as shall be selected in accordance with the provisions of these Bylaws; (b) prepare, or cause to be prepared, a true statement of the Corporation's assets and liabilities as of the close of each fiscal year, all in reasonable detail, which statement shall be made and filed at the Corporation's registered office or principal place of business in the State of North Carolina within four (4) months after the end of such fiscal year and there at kept available for a period of at least ten (10) years; and (c) in general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors, or by these Bylaws.

Section 11. Assistant Treasurers. In the absence of the treasurer or in the event of this death, or inability or refusal to act, the Assistant Treasurers in the order of their length of service as Assistant Treasurer, unless otherwise determined by the Board of Directors, 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. They shall perform such other duties as may be assigned to them by the Treasurer, by the President, or by the Board of Directors.

ARTICLE VIII COMMON AREA OWNERSHIP AND MAINTENANCE

Section 1. Common Areas. The Corporation shall own, use, pay ad valorem taxes on (if required by law), protect, maintain, manage, care for and supervise, all for the use of and for the benefit of the members of this Corporation, all of the "COMMON AREAS" (and any sign, monument, structures, playgrounds, parks, or other equipment or improvements located thereon or therein and any "storm water detention structure" located within the ponds situated thereon or therein), which said "COMMON AREAS" are located in that certain subdivision known as "PARKSIDE AT NOTTINGHAM Subdivision," if any, said Subdivision being situated near the City of Greensboro, Guilford County, North Carolina. The "COMMON AREAS" are or will be depicted on various plats of "PARKSIDE AT NOTTINGHAM Subdivision" now or hereafter recorded in the Office of the Register of Deeds of Guilford County, North Carolina by Pulte Home

Corporation, a Michigan corporation (the "Developer" of "PARKSIDE AT NOTTINGHAM Subdivision") (the various recorded plats being referred to in these Bylaws as the "Plats"). All of "COMMON AREAS" in the Subdivision which are to be owned by the Corporation have been or will be conveyed to the Corporation by Pulte Home Corporation. As each phase of "PARKSIDE AT NOTTINGHAM Subdivision" is developed by Pulte Home Corporation, Pulte Home Corporation will cause a plat of all of the single-family residential lots and the "COMMON AREAS" to be included in each phase to be recorded in the Office of the Register of Deeds of Guilford County, North Carolina. The "COMMON AREAS" within each phase will be conveyed by Pulte Home Corporation to the Corporation prior to or at the time of the conveyance of the first single-family residential lot in that phase to a homebuyer. The Corporation's ownership of the Common Areas and all rights therein shall be subject to all of the terms and provisions of the "Declaration of Covenants and Restrictions for PARKSIDE AT NOTTINGHAM Subdivision" (the "Declaration") promulgated by Pulte Home Corporation (the "Declarant" therein) and recorded in the Office of the Register of Deeds of Guilford County, North Carolina and to all of the easements and rights-of-way and restrictions depicted and/or noted on the aforescribed "Plats" of the Subdivision and to all of the ordinances of Guilford County affecting the said property.

Section 2. Members Easements of Enjoyment. Each member shall have a right of enjoyment in and to the Common Areas hereinabove described, which said right shall be appurtenant to and shall pass with the title to every residential lot in "PARKSIDE AT NOTTINGHAM Subdivision."

Section 3. Delegation of Use. Each member may delegate his rights of enjoyment of the Common Areas to the members of his family, his tenants, contract purchasers who reside on the property, or his guests.

Section 4. Rules and Regulations. The Board of Directors shall have the power to formulate, publish and enforce reasonable rules and regulations, not inconsistent with the "Declaration" or the Articles of Incorporation of this Corporation, covering the use and enjoyment of the Common Areas. Such rules and regulations, along with all policy resolutions and policy actions taken by the Board of Directors, shall be recorded in a Book of Resolutions, which said Book of Resolutions shall be maintained in a place reasonably convenient to the members and available to the members for inspection during normal business hours.

Section 5. Operating Common Areas and Facilities. The Board of Directors shall have the power to limit the number of guests, to regulate hours of operation and behavior, and to curtail any use or uses it deems necessary for either the protection of the Common Areas or the peace and tranquillity of adjoining residents.

Section 6. Suspensions. The Board of Directors shall have the power to suspend

the voting rights and the right to the use of any Common Areas of a Class A member or any person to whom that Class A member has delegated his right of enjoyment for any period during which any assessment owed to the Corporation by such Class A member remains unpaid, and for a period not to exceed sixty (60) days, for any infraction of the rules and regulations published pursuant to Section 4 of this Article VIII.

Section 7. Common Area Dedication or Transfer. Unless prohibited or restricted by law, the Corporation shall have the right to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to be the members. No such dedication or transfer shall be effective unless and until members holding at least two-thirds of the votes entitled to be cast at a meeting of the members of this Corporation have signed an instrument agreeing to such dedication or transfer, said instrument to be filed with the Secretary of this Corporation, and unless written notice of the proposed action is sent to every member and not less than thirty (30) days in advance. Notwithstanding the foregoing, once any area depicted on any of the recorded "Plats" of "PARKSIDE AT NOTTINGHAM Subdivision" as "Common Area" has been conveyed to the Corporation by the Pulte Home Corporation, the "Developer" of "PARKSIDE AT NOTTINGHAM Subdivision," its successors and/or assigns, such "Common Area" shall not thereafter be subdivided or conveyed by this Corporation unless and until a revised Preliminary Plat and a revised Final Plat showing such subdivision or conveyance shall have been submitted by this Corporation to and approved by the appropriate municipal authorities.

Section 8. Liability Insurance, Ad Valorem Property Taxes and Assessments, and Default by the Corporation.

(a) **Liability Insurance:** This Corporation shall procure, and shall maintain in full force and effect at all times, and shall pay the premiums thereon when due, one or more policies of liability insurance covering the "Common Areas" owned by the Corporation, said liability insurance to be in an amount equal to or exceeding the greater of the following: (1) the minimum required by Guilford County, or (2) the sum of One Million and no/100 Dollars (\$1,000,000.00).

(b) **Ad Valorem Property Taxes:** This Corporation shall pay from the funds of this Corporation any and all city and county ad valorem property taxes for the "Common Areas" owned by the Corporation and shall pay said taxes on or before the date upon which said taxes shall be due and payable.

(c) **Assessments:** This Corporation shall pay from the funds of this Corporation any and all assessments for public and/or private improvements made to or for the benefit of the "Common Areas" owned by the Corporation and shall pay said assessments promptly.

(d) Default by the Corporation: Upon default by this Corporation in the payment to the jurisdiction entitled thereto of (1) any ad valorem property taxes due on the "Common Areas" owned by this Corporation, and/or (2) any assessment(s) for public improvement(s) made to or for the benefit of the "Common Areas" owned by this Corporation, which said default shall continue for a period of six (6) consecutive months, each owner of a residential lot in "PARKSIDE AT NOTTINGHAM Subdivision" shall thereafter become personally liable for and shall be obligated to pay to the jurisdiction owed a portion of the taxes and/or assessment(s) owed in an amount determined by dividing the total taxes and/or assessment(s) due to the jurisdiction by the total number of lots in "PARKSIDE AT NOTTINGHAM Subdivision." If an owner of a residential lot in the Subdivision does not pay his/her/its share of said taxes and/or assessment(s) to the taxing or assessing jurisdiction owed within thirty (30) days next following receipt of written notice of the amount due, the amount of said owner's share shall become and shall constitute a continuing lien on the property of the owner, his/her/its heirs, devisees, personal representatives, successors and assigns. The taxing or assessing jurisdiction may, at its option, either bring an action at law against the owner personally obligated to pay the same, or may elect to foreclose the lien against the property of the owner.

Section 9. Restoration of Common Areas. In the event of partial or total damage to or destruction of any of the "Common Areas" owned by this Corporation (including, but not limited to, damage to or destruction of any sign, monument, structures, playgrounds, parks, or other equipment or improvements located thereon or therein and any "storm water detention structure" located within the ponds situated thereon or therein), this Corporation shall take immediate steps to repair and restore the affected "Common Areas," and the improvements thereon or therein, to the condition in which said "Common Area" existed just prior to the occurrence of the damage and/or destruction. The costs of said repair and/or restoration shall be paid from the funds of this Corporation. Should the Corporation have insufficient funds with which to pay said costs, each owner of a residential lot in "PARKSIDE AT NOTTINGHAM Subdivision" shall be assessed by the Corporation in an amount determined by dividing the total costs for such repair and/or restoration by the total number of lots in "PARKSIDE AT NOTTINGHAM Subdivision." If an owner of a residential lot in the Subdivision does not pay his/her/its assessment within thirty (30) days next following receipt of written notice of the amount due, the amount of said owner's share shall become and shall constitute a continuing lien on the property of the owner, his/her/its heirs, devisees, personal representatives, successors and assigns. The Corporation may thereafter use the remedies specified in Section 7 of Article XI of these Bylaws to collect said assessment(s) from the defaulting owner.

ARTICLE IX LAND USE

Section 1. Covenants and Restrictions. All of the residential lots in "PARKSIDE AT NOTTINGHAM Subdivision" as depicted on the "Plats" and all of the Common Areas

described in Article VIII of these Bylaws shall be subject to the restrictions set forth in these Bylaws, the restrictions noted or depicted on the "Plats," and the restrictions set forth in the "Declaration," as may be amended and/or modified from time to time.

Section 2. Designated Residential Lot Restrictions. All of the residential lots in "PARKSIDE AT NOTTINGHAM Subdivision" as depicted on the "Plats" shall be used, improved and devoted exclusively to residential use.

Section 3. Common Area Restriction. All Common Areas and facilities shall be used, improved and devoted exclusively to park and recreational purposes for the benefit of the members of this Corporation, except as otherwise may be required by Guilford County or required by the "Declaration" or required by law or as may be noted on the recorded "Plats" of the residential lots in "PARKSIDE AT NOTTINGHAM Subdivision."

Section 4. Offensive Use, Nuisance or Annoying Use. No immoral, improper, offensive, or offensive use shall be made of any of the residential lots in the "Subdivision" or of the Common Areas. All county and/or municipal dwelling ordinances and the regulations of all governmental agencies having jurisdiction thereof, shall be observed. No obnoxious activity shall be carried on in or upon any such residential lot or in or upon the Common Areas, nor shall anything be done therein or thereon which may be or may become a nuisance or annoyance to any resident within "PARKSIDE AT NOTTINGHAM Subdivision."

Section 5. Common Area Construction or Alteration. Except for such improvements and alterations and/or other construction required by Guilford County to be made or performed by Pulte Home Corporation (the "Developer") in the Common Areas, no person shall undertake, cause, or allow any improvements, alterations or construction in or upon any portion of the Common Areas except at the direction of an with the express written consent of the Board of Directors.

Section 6. Parking, Antennas, Pools, Tennis Courts, Recreational Facilities, Fences and Signs:

(a) **Parking:** Other than construction vehicles and trailers used in the construction or renovation of a dwelling on a residential lot in "PARKSIDE AT NOTTINGHAM Subdivision," no Class A member shall store, park or maintain on such Class A member's residential lot or on a street in the "Subdivision" or in the Common Areas in the "Subdivision" any vehicle, truck, tractor (other than a small lawn mower tractor), trailer, or mobile home, except one or more operational personal automobile and/or pick-up truck may be parked on such Class A member's residential lot. No more than one (1) camper and one (1) boat and boat trailer may be parked on a residential lot, however any such camper and/or boat and boat trailer shall be stored or parked so as not to be visible from any street in the "Subdivision." Should any such automobile, truck, tractor, boat, camper, trailer, or other motorized vehicle remain parked on the street or in any Common Area in

the "Subdivision" for a period exceeding twenty-four (24) hours, the Corporation shall have the right to cause such offending vehicle to be removed at the vehicle owner's expense, and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal.

Notwithstanding the foregoing, service and delivery vehicles may be parked in the "Subdivision" during business hours for such period of time as is reasonably necessary to provide service or to make a delivery to a residential lot or the "Common Areas."

Unless prior written approval of the "Architectural Control Committee" (the "Committee") of this Corporation shall have been obtained, stored vehicles and vehicles which are either obviously inoperable or do not have current operating licenses shall not be permitted or allowed to remain on any residential lot in the "Subdivision" except within enclosed garages. For purposes of these Bylaws, a vehicle shall be considered a "stored vehicle" if such vehicle (a) is put up on blocks or wood or other materials, and/or (b) is covered with a tarpaulin or other material, and (c) said vehicles remains in such state for fourteen (14) consecutive days. Upon violation of this provision the Corporation shall have the right to cause such offending vehicle to be removed at the vehicle owner's expense, and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal.

(b) Satellite Dishes: No satellite dishes, antennas, discs or other equipment for receiving or sending sound or video messages shall be permitted on any residential lot in the "Subdivision" (except for AM and/or FM radio reception and VHF and/or UHF television reception) without the express approval of the Architectural Control Committee.

(c) Pools and Tennis Courts and other Recreational Facilities. No in-ground pools, tennis courts, or other recreational facility shall be constructed, erected, installed, or permitted to remain on a residential lot in the "Subdivision" unless and until the proposed plans for such facility shall have been presented to and approved in writing by the "Architectural Control Committee" (the "Committee") of this Corporation. Such proposed plans must be submitted to the "Committee" prior to the commencement of any clearing, grading or construction thereof. No "above-ground" swimming pools shall be erected, constructed, installed or allowed to remain on any residential lot in the "Subdivision."

(d) Fences: No chain link fences shall be allowed on any residential lot in the "Subdivision." No fence shall be constructed, erected, installed, or permitted to remain on a residential lot in the "Subdivision" unless and until the proposed plans for such fence shall have been presented to and approved in writing by the "Architectural Control Committee" (the "Committee") of this Corporation. Such proposes plans must be submitted to the "Committee" prior to the commencement of any clearings, grading or

construction thereof.

(e) **Signs:** No sign of any kind shall be displayed to the public view on any residential lot in the "Subdivision" except one (1) sign of not more than five (5) square feet placed in the front yard of a single-family residential lot advertising the property for sale, or signs used by a builder to advertise the property during the construction and sales period. The Corporation or its agents shall have the right to remove any sign, billboard or other advertising structure that does not comply with the above, and in so doing shall not be subject to any liability for trespass or any other liability in connection with such removal.

Lots number 91 and 92 will have a monument marker and a stone wall on the East boundary line. The maintenance and repair of the marker and wall will be the responsibility of Parkside at Nottingham Homeowners Association.

All three phases at Parkside at Nottingham will have street signs within the subdivision which will be specialty/non-standard street signs to be approved by Guilford County. These street signs will be maintained by Parkside at Nottingham Homeowners Association.

Section 7. Playgrounds, Wetlands, Lakes and Water Bodies: Any playground or other play areas located within any of the Common Areas owned by the Corporation and any equipment or structures within the Common Areas owned by the Corporation which is or was furnished or erected by or on behalf of the Corporation or by or on behalf of Pulte Home Corporation (the "Developer" of "PARKSIDE AT NOTTINGHAM Subdivision") shall be used at the risk of the user, and neither the Corporation, nor Pulte Home Corporation, shall be held liable to any person for any claim, loss, damage, or injury to any person or property occurring thereon or related to use thereof. All wetlands, lakes, ponds, and streams with the "Subdivision," if any, shall be aesthetic amenities only, and no other use thereof, including, without limitation, fishing, swimming, boating, playing, or use of personal floatation devices, shall be permitted without the prior approval of the Board of Directors of the Corporation. The Corporation shall not be responsible for any claim, loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the wetlands, lakes, ponds, or streams within the "Subdivision." No docks, piers, or other structures shall be constructed on or over any body of water within the "Subdivision," except such as may be constructed by the "Developer" or by this Corporation.

ARTICLE X ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee. An Architectural Control Committee shall be appointed by the Board of Directors pursuant to the provisions

contained in Section 2 of Article VI of these Bylaws. Such committee shall have the powers specified in and shall be subject to the limitations imposed by the provisions of Section 2 of Article VI of these Bylaws.

Section 2. Plan or Design Approval. Subject to rights of Pulte Home Corporation (the "Developer") with regard to architectural control approval for residential lots prior to conveyance of said residential lots to a homebuyer set forth in Section 2 of Article VI of these Bylaws and subject to the limitations imposed on the Architectural Control Committee by the provisions contained in Section 2 of said Article VI and by the Articles of Incorporation, no site preparation or construction, erection, or installation of any improvements, including but not limited to, residential dwellings, garages (either attached or detached), fences, walls, outbuildings, accessory buildings, antennas of any type, other structures, excavation, mass plantings, or changes in grade, shall be undertaken or allowed to remain upon any residential lot in "PARKSIDE AT NOTTINGHAM Subdivision" unless and until the plans and specifications therefore, showing the nature, kind, shape, height, materials, and location of the proposed improvements shall have been submitted to the Architectural Control Committee and expressly approved by said Architectural Control Committee in writing. No subsequent alteration or modification of any existing improvements may be undertaken or allowed to remain on any of the residential lots in the "Subdivision" without the review and express written approval of the Architectural Control Committee.

Section 3. Effect of Failure to Approve or Disapprove. In the event that the Architectural Control Committee fails to approve or disapprove the design of any proposed improvements within sixty (60) days after plans and specifications therefor have been submitted to and received by the Architectural Control Committee, approval for such design shall not be required, and the requirements of this Article shall be deemed to have been fully satisfied; provided that any such improvements shall be erected or completed in accordance with the submitted plans and specifications. Plans and specifications shall not be deemed to have been received by the Architectural Control Committee if they contain erroneous data or fail to present adequate information upon which the Architectural Control Committee can arrive at a decision.

Section 4. Right of Inspection. The Architectural Control Committee shall have the right, at its election, to enter upon any of the residential lots in the "Subdivision" during preparation, construction, erection, or installation of any improvements to determine that such work is being performed in conformity with the approved plans and specifications.

Section 5. Exterior Maintenance. The exterior maintenance of the residential lots in the "Subdivision," and of any dwellings located thereon, and of any improvements constructed or located thereon, shall be the duty of the individual owner(s) of such residential lots (except where specifically provided otherwise) and shall not normally be

interfered with by the Corporation, the Architectural Control Committee, or any other agent or representative of the Corporation. If, however, in the opinion of the Architectural Control Committee any owner(s) of any residential lot in the "subdivision" shall fail to maintain his residential lot and/or the dwelling and improvements constructed or located thereon in a manner which is reasonably neat and orderly or shall fail to keep the improvements constructed thereon in a state of repair so as not to be unsightly, the Corporation, at its discretion, and following ten (10) days written notice to the owner(s) of such residential lot, may enter upon and make or cause to be made repairs to such residential lot and/or the improvements constructed thereon and perform such maintenance on the residential lot and dwelling and improvements constructed thereon, including but not limited to, the removal of trash, cutting of grass, pruning of shrubbery, and seeding for erosion control, as the Architectural Committee shall deem necessary to restore said residential lot and the improvements constructed thereon to a safe, neat and orderly state. The Corporation shall have an easement on each and every residential lot in the "Subdivision" for the purpose of accomplishing the foregoing. The costs incurred by the Corporation in rendering such services plus a service charge of twenty percent (20%) of such costs, shall be added to and become a part of such other dues and assessments to which such residential lot is subject.

ARTICLE XI ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessment. The Class B member (Pulte Home Corporation) shall not be required to pay any assessments or special assessments to the Corporation. Until such time as Pulte Home Corporation shall convey to the Corporation the Common Areas described in Article VIII of these Bylaws and until such time as all of the residential lots in "PARKSIDE AT NOTTINGHAM Subdivision" have been conveyed to Class A members, the Class B member shall be responsible for and shall pay its prorata share (based upon the percentage derived by dividing the total number of residential lots owned by the Class B member by the total number of residential lots in the "Subdivision") of the costs of maintenance and upkeep and improvement for such Common Areas, including but not limited to, and ad valorem property taxes assessed thereon. The Corporation shall have no power to compel Pulte Home Corporation, its successors and/or assigns, to cause any improvements to be made to the Common Areas, other than such improvements as may be required by Guilford County as a condition prerequisite to transferring said Common Areas to the Corporation.

Each Class A member of this Corporation as an owner of one or more residential lot in the "Subdivision" (hereinafter referred to in this Article XI as "Owner"), upon acceptance of a deed for any such residential lot, whether or not expressed in any such deed or other covenants, is deemed to covenant and agrees to pay to the Corporation:

- (a) Annual assessments or charges (hereinafter referred to as

"assessments") for each residential lot owned by such owner; and

(b) Special assessments for capital improvements to the Common Areas and Facilities owned by the Corporation, such special assessments to be fixed, established, and collected from time to time as hereinafter provided.

The annual and special assessments on a residential lot in the "Subdivision," together with interest thereon and costs of collection thereof including reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest and costs and reasonable attorney's fees (as provided in North Carolina General Statutes Section 6-21.2, as may be amended) incurred by the Corporation in collecting delinquent assessments, shall also be the personal obligation of the person or entity who was the owner of such residential lot at the time when the assessment became due. The obligation of an owner for delinquent assessments shall pass to his successors or assigns in title unless expressly excused by the Corporation.

Section 2. Purpose of Assessments. The assessments levied by the Corporation shall be used exclusively for the purposes of promoting the beautification of the "Subdivision," the recreation, health, safety and welfare of the members of the Corporation, the enforcement of these Bylaws and the "Declaration of Covenants and Restrictions for PARKSIDE AT NOTTINGHAM Subdivision" and the rules and regulations of the Corporation, and, in particular, the improvement, maintenance, preservation, protection, management and supervision of the Common Areas owned by the Corporation, including but not limited to, the payment of any and all ad valorem and other taxes assessed.

Section 3. Special Assessment for Repairs. In the event any portion of the Common Areas is damaged or destroyed by a member or any of his guests, tenants, licensees, agents, or family members, such member does hereby authorize the Corporation to repair said damaged area in a good and workmanlike manner. The amount necessary for such repairs, labor and materials, shall become a special assessment upon the residential lot(s) owned by such member.

Section 4. Special Assessment for Capital Improvements. Subject to the limitations and restrictions regarding on the payment of assessments by the Class B member set forth in Section 1 of this article XI, in addition to the annual assessments authorized above, the Corporation may levy against the Class A members one or more special assessments applicable to that year only for the purpose of defraying the costs of the construction or reconstruction, unexpected repair, or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are entitled to vote in

person or by proxy at a meeting duly called for this purpose. Written notice of such meeting shall be sent to all members not less than thirty (30) days in advance of the meeting. Such special assessments shall be apportioned among the Class A members based upon the number of residential lots owned by a Class A member (i.e., the special assessment to be charged against each residential lot shall be equal to the total special assessment divided by the total number of residential lots in the "Subdivision" owned by Class A members).

Section 5. Uniform Rate of Assessment. Both annual and special assessments (with the exception of the special assessment authorized by Section 4 of this Article XI) must be fixed at a uniform rate for all residential lots owned by the Class A members and may be collected on a monthly or quarterly or annual basis in advance, as determined by the Board of Directors. The assessments provided for herein shall commence as to a Class A member on the first day of the month next immediately following the month in which said Class A member shall purchase a residential lot in the "Subdivision."

A Class A member purchasing a residential lot after January 1 in any year shall be required to pay only that portion of any annual or special assessment for such residential lot purchased that would be equal to the following formula:

Total assessment due = total assessments due for a Class A residential lot for the year divided by 12 months and multiplied by the number of months remaining in the year beginning with the month next immediately following the date of purchase of the residential lot by such Class A member.

Such prorata portion shall be due upon the date such Class A member shall acquire title to a residential lot in the "Subdivision."

The Board of Directors shall fix the amount of the annual assessment against each Class A residential lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment for each residential lot shall be sent to the owner(s) of such residential lot. If the Board of Directors shall determine that it would be inequitable to require the payment of the full amount of the annual assessment, the Board may waive payment of any portion of the assessment so long as such waiver is granted to all Class A members. The due dates for any assessments and appropriate penalties for late payment shall be established by the Board of Directors. The Corporation, upon demand at any time, shall furnish a certificate in writing setting forth whether the assessments on a specified residential lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificates shall be conclusive evidence of payment status.

Section 6. Remedies for Non-Payment of Assessments. Any assessments which

are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at a rate not to exceed eighteen percent (18%) per annum. The Corporation may bring an action at law against the owner(s) personally obligated to pay any assessment and interest or the Corporation may foreclose the lien created herein in the same manner as prescribed by the laws of the State of North Carolina for the foreclosure of Deeds of Trust. Costs and reasonable attorney's fees (as set forth in Section 1 of this Article XI) of any such action shall be added to the amount of such assessment. No owner of any residential lot may waive or otherwise escape liability of the assessments provided for herein by the non-use of the Common Areas or the abandonment of his residential lot. In the event of such action at law and in the further event that such action results in a judgment being entered against the owner of the residential lot in favor of the Corporation, then and in that event, the Corporation shall be further empowered to execute on that judgment in such manner and to the extent provided and permitted by the laws of the State of North Carolina.

Section 7. Subordination of the Lien to Mortgages and Ad Valorem Taxes. The lien of the assessments provided for herein on any residential lot shall be subordinate to the lien of any first mortgage, deed of trust or first purchase money deed of trust representing a first lien on said residential lot and shall be subordinate to the lien of any ad valorem taxes due on said residential lot. Sale or transfer of any residential lot shall not affect the assessment lien, provided, however, that the sale or transfer of any residential lot pursuant to a decree of foreclosure on a mortgage thereon or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such residential lot from liability or liens arising from assessments thereafter becoming due.

Section 8. Exempt Property. Any portion of the Common Areas and any portion of the "Subdivision" dedicated to, and accepted by, a local public authority shall be exempt from the assessments created herein; provided, however no land or improvements devoted to single-family residential use shall be exempt from said assessments.

Section 9. Annual Budget. By a majority vote of the Directors, the Board of Directors shall adopt each year an annual budget for the subsequent year of operation, which said annual budget shall provide for allocation of expenses in such a manner that the obligations of the Corporation imposed by these Bylaws and the "Declarations" and all supplementary Declarations will be met.

ARTICLE XII ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation by Members. Except as provided in Section 2 of this Article XII, additional lands may be added and annexed to "PARKSIDE AT NOTTINGHAM Subdivision" only if two-thirds (2/3) of each class of all the votes

entitled to be cast, in the aggregate, by members are cast in favor of annexation. In such event the Class B member shall be entitled only to one vote for each residential lot owned by the Class B member. A meeting shall be duly called for this purpose, written notice of which shall be sent to a members not less than thirty (30) days in advance of the meeting.

For purposes of such meeting, the presence thereof of members or authorizing proxies entitled to cast sixty percent (60%) of the votes, in the aggregate, of the members, shall constitute a quorum. If the required quorum is not forthcoming at any such meeting, another meeting may be called within sixty (60) days thereafter, subject to the notice requirements set forth above, and the required quorum of such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting.

If a quorum is present and a majority of the votes cast are in favor of the annexation, but the majority is less than the two-thirds (2/3) majority of each class required for approval of the annexation, and it appears that the required two-thirds (2/3) of each class may be achieved if the members not present or voting by proxy assent to the annexation, then, and in that event, the members not present or voting by proxy may assent to or dissent from the proposed annexation in writing within one hundred twenty (120) days next immediately following the date of the meeting, said written assent or dissent to be delivered to the Secretary of the Corporation. If the number of votes cast at the meeting in favor of the annexation, together with the votes deemed to have been cast by the members assenting to the annexation, shall constitute the requisite two-thirds (2/3) majority of each class of all votes entitled to be cast, the annexation shall stand approved.

Section 2. Annexation by Developer. Pulte Home Corporation (the "Developer"), its successors and/or assigns, may annex additional lands to "PARKSIDE AT NOTTINGHAM Subdivision" at any time in the following manner:

(a) If at any time within fifteen (15) years of the date of incorporation of PARKSIDE AT NOTTINGHAM Homeowners Association, Inc., Pulte Home Corporation, its successors and/or assigns, should develop additional lands consisting of any lands which are then contiguous to the boundaries of "PARKSIDE AT NOTTINGHAM Subdivision," such additional lands may be annexed to "PARKSIDE AT NOTTINGHAM Subdivision" without the assent of the members of this Corporation; provided, however that each such annexation shall be approved by the appropriate municipal and/or county governmental agencies, and further provided that the total annexation of such additional lands shall not exceed the total of ninety-five (95) acres in size or two hundred thirty (230) single-family residential lots.

(b) Pulte Home Corporation, its successors and/or assigns, may, in one or more such annexations, annex said additional land into "PARKSIDE AT NOTTINGHAM Subdivision" by recording in the Guilford County Registry, North Carolina, a Declaration of Annexation, duly executed by Pulte Home Corporation, its successors and/or assigns,

describing the lands annexed and incorporating the provisions of the "Declaration of Covenants and Restrictions for PARKSIDE AT NOTTINGHAM Subdivision," as may be amended, into such Declaration of Annexation. The additional land shall be deemed to be annexed into "PARKSIDE AT NOTTINGHAM Subdivision" on the date of the recordation of the Declaration of Annexation, and no other action or consent shall be necessary except for appropriate municipal and/or county governmental agency approval. Subsequent to the recordation of any such Declaration of Annexation Pulte Home Corporation, its successors and/or assigns, shall deliver to the Corporation one or more deeds conveying any property that will be designated as Common Area within the lands annexed as such designated property is developed. As to any such annexed land, Pulte Home Corporation shall, upon the effective date of such annexation, become and shall be reinstated as a Class B member of this Corporation and shall have and enjoy the same rights and obligations of the Class B members as set forth in these Bylaws and shall have the same powers, duties and responsibilities with regard to architectural control for the residential lots to be developed from the additional annexed lands as it enjoyed with respect to the initially developed residential lots in "PARKSIDE AT NOTTINGHAM Subdivision."

ARTICLE XIII CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Drafts. All checks, drafts or other orders for the payment of money, issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits. Funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors may select.

ARTICLE XIV CERTIFICATES OF MEMBERSHIP AND THEIR TRANSFER

Section 1. Certificates of Membership. The Board of Directors may provide for

the issuance of Certificates of Membership evidencing membership in the Corporation, which shall be in such form as shall be determined by the Board of Directors. Any such Certificates shall be signed by the President or Vice-President and by the Secretary or Treasurer or an Assistant Secretary or an Assistant Treasurer. All Certificates shall be consecutively numbered or otherwise identified. The name and address of the person or persons to whom the Certificate represented thereby are issued and the date of issue shall be entered on the membership books of the Corporation.

Section 2. Transfer of Certificates of Membership. If Certificates of Membership of the Corporation are issued by the Corporation, such Certificates of Membership shall be nonassignable. Upon the sale of a residential lot in the "Subdivision," the selling member shall immediately surrender any such Certificate of Membership issued to such selling member to the Secretary for cancellation by the Secretary. The Secretary shall thereafter issue a new Certificate of Membership to the new owner(s) of such lot.

Section 3. Lost Certificate of Membership. The Board of Directors may, upon such terms and conditions as the Board may determine, direct a new Certificate of Membership to be issued to a member in place of any certificate theretofore issued by the Corporation claimed to have been lost or mutilated or destroyed, upon receipt of a written and signed statement of such fact from the person claiming the Certificate of Membership to have been lost or mutilated or destroyed.

Section 4. Closing Transfer Books and Fixing Record Date. For the purpose of determining members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or in order to make a determination of members or any other proper purpose, the board of Directors may provide that the membership books of the Corporation shall be closed for a stated period but not to exceed, in any case, fifty (50) days. If the membership books shall be closed for the purpose of determining members entitled to notice of or to vote at a meeting of members, such books shall be closed for at least ten (10) days immediately preceding such meeting.

In lieu of closing the membership books, the Board of Directors may fix in advance a date as the record date for any such determination of members, such record date in any case to be not more than fifty (50) days and, in case of a meeting of members, not less than ten (10) days immediately preceding the date on which the particular action, requiring such determination of members, is to be taken.

If the membership books are not closed and no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the date on which notice of the meeting is mailed shall be the record date for such determination of members.

When a determination of members entitled to a vote at any meeting of members

has been made as provided in this section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the membership books and the stated period of closing has expired.

Section 5. Holder of Record. The Corporation may treat as absolute owner of a residential lot in "PARKSIDE AT NOTTINGHAM Subdivision" (member of the Corporation) the person or persons in whose name such residential lots stands of record in the Corporation's membership books just as if that persons had full competency, capacity and authority to exercise all rights of ownership irrespective of any knowledge or notice to the contrary or any description indicating a representative, pledge or other fiduciary relation or any reference to any other instrument or to the rights of any other person appearing upon its record or upon any Certificate of Membership, except that, any person furnishing to the Corporation proof of his appointment as a fiduciary shall be treated as if he were holder or a record of membership in this Corporation.

ARTICLE XV INDEMNIFICATION AND REIMBURSEMENT OF DIRECTORS AND OFFICERS

Section 1. Expenses and Liabilities: To the extent and upon the terms and conditions provided by law, the Corporation shall indemnify any and all of its officers and directors to the maximum extent required or permitted by Sections 55A-17.1, 55A017.2 and 55A017.3 of the General Statutes of North Carolina as from time to time amended, and such officers and directors shall be deemed to have relied upon this section. The right of indemnification hereinabove provided for shall not be exclusive of any rights to which any such director or officer may otherwise be entitled under any Bylaw or Charter provision, or by any agreement, vote of the Board of Directors or members or otherwise with respect to any liability or litigation expenses arising out of his activities in such capacity.

Section 2. Advance Payment of Expenses. Unless contrary to the laws of the State of North Carolina, expenses incurred by a director or officer of this Corporation in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case or as authorized or required under any Charter or Bylaw provision or by any applicable resolution or contract, upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation against such expenses. Notwithstanding the above, the Corporation shall, upon receipt of an undertaking by or on behalf of the director or officer involved to repay the expenses described above unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation against such expenses, pay such expenses incurred by such director or officer in defending a civil or criminal action, suit or proceeding in advance of

the final disposition of such action, suit or proceeding.

Section 3. Insurance. Unless prohibited by law, the Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation against any liability asserted against him and incurred by him in such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability.

ARTICLE XVI GENERAL PROVISIONS

Section 1. Seal. The Corporate seal of the Corporation shall consist of two (2) concentric circles between which is the name of the Corporation and in the center of which is inscribed "SEAL;" and such seal, as impressed on the margin hereto, is hereby adopted as the Corporate seal of the Corporation.

Section 2. Waiver of Notice. Whenever any notice is required to be given to any member or Director by law, by the Charter or by these Bylaws, 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.

Section 3. Fiscal year. The fiscal year of the Corporation shall be fixed by the Board of Directors.

Section 4. Context. Nouns and pronouns in the masculine gender referring there to in these Bylaws shall be deemed to include the masculine, feminine or neuter and the singular shall include the plural, all as required by context. Wherever the terms "law" or "laws" are used in these Bylaws, such terms shall be deemed to mean the laws of the State of North Carolina.

Section 5. Amendments. Except as otherwise provided by law, by the Articles of Incorporation or by these Bylaws, these Bylaws may be amended or repealed and new Bylaws may be adopted by the affirmative vote of a majority of the Directors then holding office at any annual or special meeting of the Board of Directors.


The Board of Directors shall have no power to adopt a Bylaw: (1) changing the quorum requirements for a meeting of the members of the Corporation or for a meeting of the Board of Directors of the Corporation, except where higher percentages are required by law; (2) providing for the management of the Corporation otherwise than by the Board of Directors or its Executive Committee; (3) increasing or decreasing the number of Directors; (4) classifying and staggering the election of Directors; or (5) modifying or amending a provision of the Bylaws which cannot, according to the Bylaws, be amended or modified without the consent of Pulte Home Corporation, its successors and/or assigns,

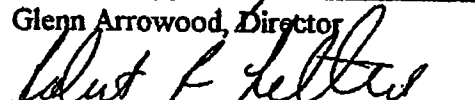
unless and until such consent is obtained.

No Bylaw adopted or amended by the members of the Corporation shall be altered or repealed by the Board of Directors.

This the 22nd day of July, 1997.


Lawrence Lippincott, Director


Glenn Arrowood, Director


Robert Gilbert, Director