

Prepared by and return to: SELLERS, HINSHAW, AYERS, DORTH & LYONS, P.A.
(Box 91)

**AMENDMENT TO THE BY-LAWS
OF
HIGHLAND CREEK COMMUNITY ASSOCIATION, INC.**

THIS AMENDMENT TO THE BY-LAWS of Highland Creek Community Association, Inc., is made pursuant to Article VI, Section 6, of the By-Laws of Highland Creek Community Association, Inc., and is effective upon recordation in the public registries of Mecklenburg County and/or Cabarrus County, North Carolina.

Statement of Purpose

The By-Laws of Highland Creek Community Association, Inc., provide in Article VI, Section 6, for their Amendment by the affirmative vote or written consent, or any combination thereof, of Voting Members representing seventy-five percent (75%) of the total Class "A" votes in the Association and the consent of the Declarant. In accordance with the requirements of the By-Laws, as well as N.C.G.S. § 55A-7-08, consent and approval for the following Amendments to the By-Laws was obtained from Voting Members representing 1,547 of the 1,929 Class "A" members. Accordingly, the Amendment of the By-Laws as set forth herein is hereby certified by the Secretary of the Association for recordation in the public registries of Mecklenburg and/or Cabarrus Counties.

NOW, THEREFORE, with the approval of the Declarant and Voting Members representing seventy-five percent (75%) of the total Class "A" votes of the Association as required by Article VI, Section 6 of the By-Laws of Highland Creek Community Association, Inc., the By-Laws of the Highland Creek Community Association, Inc., are amended as follows:

1. Article III, Section 4, is deleted in its entirety and the following substituted in lieu thereof:

Section 4. Number of Directors. The initial Board shall consist of three members as identified in the Articles of Incorporation. After the term of the initial Board, the number of Directors may be increased as provided in these by-laws. When increased, the number of Directors in the Association shall not be less than five nor more than ten, as provided in Section 6 below.

2. Article III, Section 6, subparagraph (b), is deleted in its entirety and the following substituted in lieu thereof:

(b) Commencing with the first annual meeting following January 1, 1999, the Board shall be increased to five (5) Directors. The Voting Members representing the Class "A" Members shall elect two (2) of the five Directors, who shall serve as at-large Directors. The remaining three (3) Directors shall be appointees of the Class "B" Member. In the event the annual meeting for 1999 has been held at the time this amendment is effective, the Association shall call a special meeting at which the Voting Members representing the Class "A" Members shall elect an additional Director to serve with the Class "A" Director elected in due course at the 1999 annual meeting. The Directors elected by the Voting Members shall not be subject to removal by the Class "B" Member acting alone, and shall be elected for a maximum term (depending on date elected) of two (2) years until the Annual Meeting in 2001 and a successor is elected or until the happening of the event described in Subsection (c) below, whichever is shorter.

Commencing with the first annual meeting following January 1, 2000, the Board shall be increased to seven (7) Directors. The Voting Members representing the Class "A" Members shall elect the number of additional Directors required to bring the total number of Directors elected by them and serving to three (3), all of whom shall serve as at-large Directors. The remaining four (4) Directors shall be appointees of the Class "B" Member. Any Director elected by the Voting Members shall not be subject to removal by the Class "B" Member acting alone, and shall be elected for a term of two (2) years or until the happening of the event described in Subsection (c) below, whichever is shorter. If such Director's term expire prior to the happening of the event described in Subsection (c) below, successors shall be elected for a like term.

The undersigned, as Secretary of the Highland Creek Community Association, Inc., does hereby certify that approval of these Amendments was obtained as required by the By-Laws and in accordance with North Carolina law and that these Amendments to the By-Laws have been duly adopted to be effective upon the recordation of these Amendments.

D. Brian Hodgkin
Secretary
Highland Creek Community Association, Inc.

STATE OF NORTH CAROLINA

MECKLENBURG COUNTY

I, a notary public for the County and State aforesaid, do hereby certify that D. Brian Hodgkin, Secretary of the Highland Creek Community Association, Inc., being first duly sworn, appeared before me this day and certified the due approval and adoption of the foregoing Amendments to the By-Laws of the Highland Creek Community Association, Inc., for recordation in the public registries of Mecklenburg and/or Cabarrus Counties.

Angela M. [Signature]
Notary Public

(SEAL)

My Commission Expires: 10.09.08

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