

**BY-LAWS
OF
MOUNTAIN CREEK RIDGE PROPERTY OWNERS ASSOCIATION**

ARTICLE I

NAME AND LOCATION

The name of the Corporation is Mountain Creek Ridge Property Owners Association, hereinafter referred to as the "Association." The principal office of the Association shall be located at ENTER NEW ADDRESS, but meeting of members and directors may be held at such places within the State of North Carolina, County of Catawba, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

The words, phrases and terms used in these Bylaws shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions for Mountain Creek Ridge as executed by Goldfinch Development, LLC as Declarant, and recorded in Book 2627 Page 27 in the Office of the Register of Deeds for Catawba County (as modified or amended from time to time, the "Declaration").

ARTICLE III

MEMBERSHIP AND MEETINGS

Section 1. Qualification. Membership in the Association shall be limited to Owners, and every Owner of a Lot shall automatically be a Member of the Association. Membership shall be appurtenant to and may not be separated from Lot ownership.

Section 2. Classes of Membership. There shall be two classes of membership as defined in Article III of the Declaration.

Section 3. Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the first Tuesday of the same month of each year thereafter, at the hour of 7:00 o'clock, P.M. If the day of the annual meeting is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. Meetings shall be held at a place to be determined by the Board, but should be held in Catawba County, North Carolina if possible. If an annual meeting is not held on the designated date and time, a substitute annual meeting may be held provided notice is given pursuant to this Article.

Section 4. Special Meetings. After the first Annual Meeting of the Members, Special Meetings of the Members may be called at any time by the President, a majority of the Board of Directors, or upon written request of the Members having ten percent (10%) of all of the votes in the Association. Notice of Special Meetings shall be given in accordance with this Article and shall include the purpose of the meeting.

Section 5. Notice of Meeting. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by hand-delivering, or mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each member entitled to vote thereafter, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of the special meeting, the purpose of the meeting.

Section 6. Quorum. A quorum is present throughout any meeting of the association if members entitled to cast ten percent (10%) of the votes of each class of membership are present in person or by proxy at the beginning of the meeting. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 7. Proxies. At all meetings of members, each member may vote in person, or by proxy. All proxies must be in writing, signed and dated by the Member, and filed with the Secretary prior to the commencement of the meeting. A Member may revoke a proxy by giving written notice to Secretary, or the person presiding over the meeting. Each proxy shall automatically cease upon conveyance by the Member of his Lot.

Section 8. Voting Rights. The voting rights of Members are set forth in the Declaration. No Member that is delinquent in the payment of assessments or is in violation of the Declaration, Guidelines or these Bylaws, shall be entitled to cast votes at annual meetings or special meetings. Voting privileges shall be restored upon verification from the Treasurer that all assessments, and interest if applicable, have been fully paid and/or upon remediation of the violation.

Section 9. Majority Vote. Once a quorum is established, the casting of a majority of the votes represented at a meeting, in person or by proxy, shall be binding for all actions and purposes, except where a different percentage is required by these Bylaws, the Articles, or the Declaration.

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors, who need to be members of the Association. The initial Board of Directors will consist of two (2) directors until the first annual meeting of the members of the Association. Thereafter, the number of directors will be five (5).

Section 2. Term of Office. The initial Board of Directors and/or the Directors appointed by the Declarant, shall serve until the expiration of the Declarant Control Period, or until resignation, whichever occurs first. Thereafter, the Board of Directors, each of whom must be a Member, shall be elected by the Members at the Annual Meeting. The members shall elect two (2) directors for a term of one (1) year; two (2) directors for a term two (2) years; and one (1) director for a term of three (3) years. At each annual meeting thereafter, the members shall elect the number of directors that are necessary to succeed any director(s) whose term then expires.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation or removal of the director, his successor shall be elected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE V

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two (2) directors, after not less than five (5) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present shall be regarded as the act of the Board.

Section 4. Action Taken Without A Meeting. The Directors shall have the right to take any action in the absence of a meeting, which they could take at a meeting by obtaining the written approval of all the directors. Any actions so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VI

POWER AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

a. adopt and publish rules and regulations governing the use of the common areas and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

b. suspend the voting rights and right to use of the common areas of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

c. impose and collect fines and enforce liens in accordance with the Act;

d. exercise for the Association all powers, duties and authority vested in or delegated to this Association by the provisions of these By-Laws, the Articles of Incorporation, the Declaration or the Act.

e. declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meeting of the Board of Directors;

f. employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

g. to fix and determine the fiscal year; and

h. to appoint committees as deemed appropriate in carrying out its duties and responsibilities.

Section 2. Duties. It shall be the duty of the Board of Directors to:

a. cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meetings of the members, or at any special meeting when such statement is requested in writing by one-half (1/2) of the members who are entitled to vote;

b. supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

c. as more fully provided in the Declaration to:

1. fix the amount of the annual assessment against each owner/member at least thirty (30) days in advance of each annual assessment period; and

2. send written notice of each assessment to every owner subject thereto at least thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

d. issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificates shall be conclusive evidence of such payment;

e. procure and maintain adequate liability and hazard insurance on property owned by the Association;

f. cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

g. cause the common to be maintained as provided for in the Declaration

ARTICLE VII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President, Secretary, Treasurer and one or more Vice-Presidents, or other such officers as the Board may from time to time by resolution create. Only the President needs to be a member of the Board.

Section 2. Election of officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise disqualify to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period,

have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office without or with cause by the Board. Any officer may resign at any time giving written notice to the board, the president, or the secretary. Such resignation shall take effect on time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The person holding the office of President shall not also serve as Secretary or Treasurer. Otherwise, multiple offices may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

President: The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President: The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, shall exercise and discharge such other duties as may be required of him by the Board.

Secretary: The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer: The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association, keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular meeting, and deliver a copy of each to the members.

ARTICLE VIII

BOOKS AND RECORDS

The books, records and papers of the Association shall be kept in accordance with the Act and shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association.

ARTICLE IX

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien upon the property against which the assessment is made. If any assessment is not paid on the date when due, then such assessment shall be delinquent and shall accrue interest thereon at the "prime rate" of interest announced from time to time by The Wall Street Journal, plus two percent (2%) per annum (such rate to change from time to time as The Wall Street Journal prime rate changes) never to exceed a maximum of 18% per annum, unless a lesser rate is required under Applicable Law in which event interest will accrue at a maximum required lesser rate. If such assessment is not paid with fifteen (15) days after the due date, then the Association may bring an action at law against the Owner directly and/or foreclose the lien against the Lot, and there shall be added to the amount of such assessments all reasonable attorney's fees and costs incurred by the Association in such action, and in the event a judgment is obtained, such agreement shall include interest on the Assessments as indicated above.

ARTICLE X

MISCELLANEOUS

Section 1. Amendment. These By-Laws may be amended, at a regular or special Meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. Conflicts. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall Control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall Control.

Section 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

CERTIFICATION

I, the undersigned, do hereby certify: That I am the duly elected and acting Secretary of Mountain Creek Ridge Property Owners Association a North Carolina non profit corporation, and

That the foregoing By-Laws constitute the original By-Laws of the said Association, as duly adopted at a meeting of the Board of Directors thereof, held on _____, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name on behalf of the Association, this the ____ day of _____, 2005.

Cynthia L. Ziegler, Secretary