

BYLAWS
OF
CALDWELL PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I – NAME AND LOCATION

Section 1. Name. The name of the corporation is CALDWELL PROPERTY OWNERS ASSOCIATION, INC., hereinafter called the “Association.”

Section 2. Location. The principal office of the Association shall be located in Mecklenburg County, North Carolina. The registered office of the Association shall be located in Mecklenburg County, North Carolina.

ARTICLE II - OBJECTS AND PURPOSES

This Association does not contemplate a pecuniary gain or profit to the Members (as hereinafter defined) thereof, and the specific purposes for which it is formed are to insure the attractiveness of Caldwell Business Park and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of all properties within Caldwell Business Park; to insure the proper use, appropriate development and improvement of such properties; to insure that improvements constructed within Caldwell Business Park are architecturally and aesthetically compatible; to provide for a method for the maintenance and continued improvement of certain common areas and facilities appurtenant to such properties and to otherwise provide for the construction and development of first quality improvements on such properties within Caldwell Business Park.

In order to further such objectives, the Association will provide for the maintenance and upkeep of the common areas and facilities appurtenant to such properties as set forth in the Declaration of Protective Covenants recorded in Book 6173 at Page 58 of the Cabarrus County Public Registry (the “Declaration”), and will administer and enforce the covenants and restrictions and collect and disburse the assessments and charges therein.

ARTICLE III - MEMBERSHIP AND VOTING RIGHTS

Section 1. Members. Every Owner of a Lot which is subject to Assessment (as such term is defined in Article V, Section 1 of the Declaration) shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to Assessment. Notwithstanding the foregoing provisions, Declarant shall be deemed a Member, regardless of whether it is obligated to pay Assessments as set forth in Article V, Section 1 of the Declaration.

Section 2. Voting. The voting rights of the membership shall be appurtenant to the ownership of the Lots. There shall be two classes of Lots with respect to voting rights:

a. Class A Lots. Class A Lots shall be all Lots except Class B Lots as the same are hereinafter defined. Each Class A Lot shall entitle the owner(s) of said Lot to one (1) vote for each acre owned in the Properties (as defined in the Declaration), plus a fractional (hundredths) vote for each fractional (hundredths) acre owned. When more than one person owns an interest (other than a leasehold or a security interest) in any Lot all such persons shall be Members and the voting rights appurtenant to said Lot shall be exercised as they, among themselves, determine by majority vote based on ownership interest, but in no event shall the vote or votes be cast separately with respect to any jointly owned Lot.

b. Class B Lots. Class B Lots shall be all Lots owned by Declarant which have not been converted to Class A Lots as provided in (i) or (ii), below. The Declarant shall be entitled to five (5) votes for each acre of the Properties owned by it, plus fractional (hundredths) votes for each fractional (hundredths) acre owned. The Class B Lots shall cease to exist and shall be converted to Class A Lots upon the latter of the following:

i. When the total number of votes appurtenant to the Class A Lots equals the total number of votes appurtenant to the Class B Lots, provided that all Lots owned by Declarant shall revert to Class B Lots and thereby shall be reinstated with all rights, privileges and responsibilities of such class, if, after the above provided conversion of Class B Lots to Class A Lots, additional lands are annexed to the Properties (with or without the assent of Class A Members), thus making the Declarant the owner, by virtue of newly created Lots and of other Lots owned by Declarant, of a sufficient number of acres within Class B Lots to cast a majority of votes (it being hereby stipulated that the conversion or reconversion shall occur automatically as often as the foregoing facts shall be occur); or

ii. On January 1, 2016.

Section 3. Majority. Notwithstanding the above provisions, the Declarant shall be entitled to fifty-one percent (51%) of the total votes (the "Total Votes") of the Members until December 31, 2015.

ARTICLE IV - MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting shall be held within one year from the date of incorporation and each subsequent annual meeting shall be held in December in each year thereafter, at a time designated by the Board of Directors.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or a majority of the members of the Board of Directors, or upon written consent of the Members who are entitled to vote ten percent (10%) of all of the votes appurtenant to the Lots.

Section 3. Substitute Annual Meeting. If the annual meeting is not held when designated by these Bylaws, a Substitute Annual Meeting may be called in accordance with Section 2 of this Article. A meeting so called shall be designated and treated for all purposes as the Annual Meeting.

Section 4. Place of Meetings. All meetings of the Members shall be held at the Association's principal office within Mecklenburg County, North Carolina, or at any other location as shall be determined by the Board of Directors of the Association.

Section 5. Notice of Meetings. Written notice of any meeting of the Members shall be given by the Secretary or other person authorized to call the meeting by mail or hand delivery to all Members not less than fifteen (15) days nor more than sixty (60) days before the date of the meeting addressed to each Member's address last appearing on the books of the Association. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the exact purposes thereof.

Section 6. Quorum. Except as otherwise provided in Article V of the Declaration with respect to meetings called for taking action on Annual or Special Assessments, the presence at the meeting of Members representing one-third (1/3) of the votes appurtenant to all Lots (as that term is defined in Section 4 of Article I of the Declaration) shall constitute a quorum for any action. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn and reconvene the meeting from time to time, without notice other than announcement at the meeting, until a quorum 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 shall be in writing and filed with the Secretary.

Section 8. Action by Members. Except as provided otherwise in the Articles of Incorporation, the Declaration or these Bylaws, any act or decision approved by a vote of no less than fifty percent (50%) of all votes present at a duly held meeting of the Members at which a quorum is present shall be regarded as the act of the Members.

Section 9. Waiver of Notice. Any Member may, at any time, waive notice of any meeting of the Members in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Members shall constitute a waiver of notice by him of the time and place thereof except where a Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all the Members are present at any meeting of the Members, no notice shall be required and any business may be transacted at such meeting.

Section 10. Informal Action by Members. 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 who would be entitled to vote upon such action at a meeting, and filed with the Secretary of the Association to be kept in the Association minute book.

ARTICLE V - BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Association shall be managed by its Board of Directors or by such Committees as the Board may establish pursuant to these Bylaws.

Section 2. Number, Term and Qualification. The number of Directors of the Association shall be not less than three (3). The initial directors shall be selected by the Declarant, and shall serve until the first annual meeting, at which time the Members shall elect one director to serve for a term of one year, one director to serve for a term of two years and one director to serve for a term of three years. At each annual meeting thereafter the Members shall elect one director to fill the vacancy created by the director whose term is expiring to serve for a term of three years. Each Director shall hold office until his death, resignation, retirement, removal, disqualification or his successor shall have been elected and qualified. Directors need not be residents of the State of North Carolina nor Members of the Association.

Section 3. Election of Directors. Except as provided in Section 4 of this Article V, the Directors shall be elected at the annual meeting of the Members. Cumulative voting is not permitted. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman and two or more members of the Board of Directors. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 4. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 5. Chairman of Board. There may be a Chairman and a Vice-Chairman of the Board of Directors elected by the Directors at any meeting of the Board. The Chairman shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.

Section 6. Reimbursement and Compensation. The Board of Directors may provide for the payment of any or all expenses incurred by the Directors in attending regular and special meetings of the Board; however, no Director shall receive compensation for services rendered to the Association in the capacity of Director.

Section 7. Committees of the Board of Directors. The Board of Directors, by resolution adopted by a majority of the number of Directors fixed by these Bylaws, may designate two or more Directors to constitute an Executive Committee and other committees, each of which, to the extent authorized by law and provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Association. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon him or it by law.

ARTICLE VI - POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the following powers:

(a) to exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of these Bylaws, by the Articles of Incorporation or by the Declaration;

(b) to 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 meetings of the Board of Directors without good cause;

(c) to employ such employees as it deems necessary to carry out the purposes of the Association and describe their duties and to select and employ a management entity to manage the Association;

(d) to employ professionals to represent the Association when deemed necessary;

(e) to appoint and remove at pleasure all officers of the Association, describe their duties, fix their compensation, and request of them such security or fidelity bond as it may deem expedient;

(f) suspend a Member's voting rights and all other rights and incidents of membership in the Association during any period in which such Member is in default in the payment of any assessment levied by the Association. The Board shall give the Member not less than fifteen (15) days prior written notice of the suspension and the reasons therefor and an opportunity for a hearing not less than five (5) days before the effective date of the suspension. The written notice shall be given by first class or certified mail to the last address of the Member as shown on the Association's records. Such rights may also be suspended after following the above procedures for written notice and hearing, for a period not to exceed sixty (60) days, in the event that a Member violates the published rules and regulations of the Association;

(g) to levy assessments as more particularly set forth in the Declaration.

Section 2. Duties. The Board of Directors shall have the following duties:

(a) to 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 meeting of the Members;

(b) to supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;

(c) to secure and maintain adequate liability insurance covering the Association in an amount determined by the Board and adequate hazard insurance on any real and personal property owned by the Association;

(d) to cause all officers or employees having fiscal responsibilities to be bonded, if it deems bonding to be appropriate;

(e) to grant easements or rights-of-way to public authorities or others for the installation and maintenance of roads, sewerage, utilities and drainage facilities;

(f) to make reasonable rules and regulations;

(g) to determine what expenditures for landscaping, planting and maintenance of Designated Maintenance Items (as that term is defined in Section 10 of Article I of the Declaration) within Lots are necessary and desirable;

(h) to personally perform the duties of the Board, and not delegate any of its powers or duties to any individuals who are not members of the Board; and

(i) to enforce the other provisions of the Declaration.

ARTICLE VII - MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly, without notice, at the time and place fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors, after not less than three (3) days notice to each Director. 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. Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least three days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

Section 4. Waiver of Notice. Any Director may waive notice of any meeting. The attendance by a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was 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 Association 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 person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted 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.

ARTICLE VIII - OFFICERS

Section 1. Officers of the Association. The officers of the Association shall consist of a President, a Secretary, a Treasurer, and such Vice Presidents, Assistant Secretaries and other officers as the Board of Directors may from time to time elect. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

Section 2. Election and Term. The officers of the Association shall be elected by the Board of Directors. Such election may be held at any regular or special meeting of the Board or by informal action of the Board. Each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor shall have been elected and qualified.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interest of the Association will be served thereby; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Compensation. The compensation of all officers of the Association shall be fixed by the Board of Directors and no officer shall serve the Association in any other capacity and receive compensation therefor unless such additional compensation is authorized by the Board of Directors.

Section 5. President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall generally supervise and control all of the business and affairs of the Association. He shall sign, with the Secretary, an Assistant Secretary, or any other proper officer of the Association thereunto authorized by the Board of Directors, 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 Association; 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 6. Vice Presidents. In the absence of the President or in the event of his death, inability or refusal to act, the Vice Presidents in the order of their length of service as Vice President, unless otherwise determined by the Board of Directors, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned to him by the President or Board of Directors.

Section 7. Secretary. The Secretary shall: (a) keep the minutes of the meetings of the Board of Directors and of all Executive Committees in one 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 required by law; (c) be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents which the Association has, under its seal, duly authorized to be executed; (d) keep a register of the post office address of each Member which shall be furnished to the Secretary by such Member; (e) generally 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 8. 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 Secretary, 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.

Section 9. 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 keep proper books of account, and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and shall deliver a copy of each to the Members.

Section 10. Bonds. The Board of Directors may by resolution require any officer, agent, or employee of the Association to give bond to the Association, with sufficient sureties, conditioned on the faithful performance of the duties of his respective office or position, and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE IX - CONTRACTS, LOANS, CHECKS AND DEPOSITS

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

Section 2. Loans. No loans shall be contracted on behalf of the Association and no evidence 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 Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors may select.

ARTICLE X - GENERAL PROVISIONS

Section 1. Seal. The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association, and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Association.

Section 2. Waiver of Notice. Whenever any notice is required to be given to any member or director by law, or 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. Indemnification.

(a) The Association shall indemnify any current or former Director or officer or any Director or officer who, while a Director or officer of the Association, is or was serving at the request of the Association, as a director, officer, partner, trustee, employee or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against expenses (including reasonable attorneys' fees) or liabilities actually and reasonably incurred in connection with the defense of or as a consequence of any threatened, pending or completed action, suit or proceeding in which he is or was made a party or is threatened to be made a party by reason of being or having been a Director or officer, provided that (i) he conducted himself in good faith; and (ii) reasonably believed, in the case of conduct in his official capacity with the Association, that his conduct was in its best interests, and in all other cases, that his conduct was at least not opposed to its best interests; and (iii) in the case of a criminal proceeding, had no reasonable cause to believe that his conduct was unlawful.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, bylaw, agreement, vote of Members or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

(b) The Association may purchase and maintain insurance on behalf of any current or former Director, officer, employee or agent of the Association, or who, while a Director or officer of the Association is or was serving, at the request of the Association, as a director, officer, partner, trustee, employee or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise 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 Association would have the power to indemnify him against such liability.

(c) The Association's indemnity of any current or former Director or officer of the Association, or any Director or officer who, while a Director or officer of the Association is or was serving, at the request of the Association, as a director, officer, partner, trustee, employee or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall be reduced by any amounts such person may collect as indemnification (i) under any policy of insurance purchased and maintained on his behalf by the Association, or (ii) from such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. Nothing contained in this Article XIV, or elsewhere in these Bylaws, shall operate to indemnify any Director or officer if such indemnification is for any reason contrary to any applicable State or Federal law.

Section 4. Fiscal Year. Unless otherwise ordered by the Board of Directors, the fiscal year of the Association shall end on the last day of December in each year.

Section 5. Amendments. Except with respect to any matter provided for by the Declaration which must be amended as provided therein, these Bylaws may be amended or repealed and new Bylaws adopted by the affirmative vote of a majority of the Directors then holding office at any regular or special meeting of the Board of Directors. In addition, these Bylaws may be amended at a regular or special meeting of the Members, by a vote of at least seventy-five percent (75%) of all votes present at a duly held meeting of the Members at which a quorum is present in person or by proxy. Notwithstanding anything to the contrary contained herein, so long as Declarant owns any portion of the Properties, these Bylaws may not be amended without its written consent.