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BRENDA D. BELL
Register Of Deeds

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE HAMPSHIRES

THIS DECLARATION is made this 29th day of September, 2000, by WILLIAM BREWSTER COMPANY, INC., a North Carolina corporation, referred to in this instrument as "Developer."

STATEMENT OF PURPOSE

Developer is the owner of that certain parcel of land which is known as The Hampshires located in Iredell County, North Carolina, more particularly described in Exhibit A attached hereto and incorporated herein by reference (the "Submitted Property").

It is in the best interest of Developer, as well as to the benefit, interest and advantage of each person or other entity later acquiring any property in The Hampshires that certain covenants, conditions, easements, assessments, liens and restrictions governing and regulating the use and occupancy of the same be established, fixed and set forth and declared to be covenants running with the land.

Developer desires to provide for the preservation of the values and attractiveness of the real property in The Hampshires and for the continued maintenance and operation of such common areas as may be provided.

Developer further desires to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Common Area, administering and enforcing the covenants and restrictions contained herein, and collecting and disbursing the assessments and charges hereinafter created, in order to sufficiently preserve, protect and enhance the values and amenities in the Development, to ensure the residents' enjoyment of the specific rights, privileges and easements in the Common Area, and to provide for the maintenance and upkeep of the Common Areas and amenities. To that end, the Developer has or will cause to be incorporated under North Carolina law, pursuant to the Articles of Incorporation attached hereto as Exhibit "B" and incorporated herein by reference, The Hampshires Homeowners Association, Inc., as a nonprofit corporation for the purpose of exercising and performing the aforesaid functions, said corporation to be governed by the bylaws attached hereto as Exhibit "C" and incorporated herein by reference.

In consideration of the premises and for the purposes stated, Developer hereby declares that all of the Submitted Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions (all of which are collectively referred to in this instrument as "restrictions"), which restrictions shall be construed as covenants running with the land and shall be

binding upon all parties having any right, title or interest in the described real property or any part thereof, and to their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I: DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

(1.1) "Additional Property" shall mean additional real estate other than the submitted property which may be subject to the terms of this declaration in accordance with the provisions of Section 2.2 of this declaration.

(1.2) "Annual Assessments" shall mean the assessments established pursuant to Paragraph 5.2 of the Declaration.

(1.3) "Association" shall mean The Hampshires Homeowners Association, Inc., a nonprofit corporation organized and existing under the laws of the State of North Carolina and its successors and assigns.

(1.4) "Board of Directors" shall mean and refer to the Board of Directors of the Association, which shall be elected and serve pursuant to the Bylaws.

(1.5) "Bylaws" shall mean the Bylaws for the Association attached as Exhibit "C" hereto and incorporated herein by reference.

(1.6) "Common Area" shall mean all real property owned by the Association in The Hampshires for the common use and enjoyment of members of the Association lying within the boundaries of the Properties. Common Areas, with respect to the Properties subject to this Declaration, shall be shown on the plats of The Hampshires recorded in the Iredell County Public Registry and designated thereon as "Common Area" or "Common Open Space."

(1.7) "Developer" shall mean and refer to William Brewster Company and its successors and assigns.

(1.8) "FHA and VA" shall mean and refer to the Federal Housing Administration, U.S. Department of Housing and Urban Development, and the Veteran's Administration, respectively. If either or both of these federal agencies shall hereafter cease to exist or perform the same or similar functions they now serve, references hereto to FHA or VA shall be deemed to mean and refer to such agency or agencies as may succeed to the duties and services now performed by either or both of these departments.

(1.9) "Lot" shall mean any numbered plot of land to be used for residential purposes shown upon any recorded subdivision plat of the Properties subject to this Declaration.

(1.10) "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of The Hampshires, but excluding those having such interest merely as security for the performance of an obligation.

(1.11) "Person" shall mean a natural person, as well as a corporation, partnership, limited liability company, firm, association, trust or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.

(1.12) "Property" or "Properties" shall mean the Submitted Property described in Exhibit "A" together with such additions thereto as may from time to time be designated by Developer in accordance with Article II hereof, whether or not such additions are contiguous with or adjoining the boundary lines of the Submitted Property. "Property" or "properties" may sometimes be referred to herein as "The Hampshires."

(1.13) "Special Assessments" shall mean the assessments established pursuant to Paragraph 5.6 of the declaration.

(1.14) "Submitted Property" shall mean that certain parcel of real property described on Exhibit "A" attached hereto.

(1.15) "Water System" shall mean a private community water system which collects water from private well or wells, or other sources, and distributes water to the Lots.

ARTICLE II: PROPERTY SUBJECT TO THIS DECLARATION

(2.1) The Submitted Property shall be held, transferred, sold, conveyed and occupied subject to this Declaration. Only the Submitted Property is hereby made subject to this Declaration; provided, however, Developer shall have the right to subject other real property to these restrictions as provided in Section 2.2.

(2.2) Without further assent or permit, Developer shall have the right from time to time to submit other real property to the terms and scheme of this Declaration said property to be developed as part of The Hampshires and thereby bringing such additional properties within the jurisdiction of the Association by filing a Supplemental Declaration in the office of the Register of Deeds for Iredell County, North Carolina containing a description of the additional property and a statement by the Developer of its intent to extend the operation and effect of this Declaration to the additional property.

(2.3) Any addition of real property shall be made by filing of record one or more Supplemental Declarations in respect to the property to be then made subject to this Declaration, and the jurisdiction of the Association shall thereby then extend to such property and subject such addition to the assessments provided in this instrument for a just and proportionate share of the Association's expenses. Each Supplemental Declaration may contain such complementary additions and modifications of the covenants, conditions and restrictions contained herein as may be necessary to reflect the different character of the added properties.

(2.4) Any Supplemental Declaration may contain complementary additions to the covenants and restrictions contained herein as may be necessary in the judgment of Developer to reflect the different character of the Additional Property. In no event, however, shall any Supplemental Declaration revoke, modify or add to the covenants and restrictions contained herein with respect to the Submitted Property, nor revoke, modify, change or add to the covenants and restrictions established by previously filed Supplemental Declarations, without meeting the requirements for Amendment set forth in Section 8.3 of this Declaration.

ARTICLE III: PROPERTY RIGHTS

(3.1) Owner's Easements of Enjoyment. Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot subject to the provisions of this Declaration, including but not limited to the following:

(a) The right of the Association to limit the use of the Common Area to Owners, their families and guests;

(b) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid, or for any infraction of the Association's published rules and regulations, if any;

(c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Association members. No such dedication or transfer shall be effective after the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B membership unless the members entitled to at least two-thirds (2/3) of the vote appurtenant to Class A Lots and Class B Lots agree to such dedication or transfer and signify their agreement by a signed and recorded written document, provided that this paragraph shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of electrical, telephone, cablevision, water and sewerage utilities and drainage facilities upon, over, under and across the Common Area without the assent of the membership.

(d) The right of the Developer or the Association to grant utility, drainage and other easements across the Common Areas;

(e) The Board of Directors of the Association shall have the right to dedicate or transfer all or any part of the Common Area to third parties provided the Association acquires in return other Common Area of equal or greater value.

(3.2) Delegation and Use. The right and easement of enjoyment granted to every Owner in Section 3.1 of this Article may be exercised by members of Owner's family and guests thereof. An Owner may delegate to his tenants his rights of enjoyment in and to the Common Area and such facilities thereon as may be provided, in accordance with the Association's Bylaws and rules and regulations, if any.

ARTICLE IV: ASSOCIATION

(4.1) Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association which shall be activated no later than December 1, 2000. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

(4.2) Voting and Voting Rights. The Association shall have two classes of voting membership:

(a) Class A. Class A members shall be all Owners with the exception of Developer and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. The Class B member shall be Developer and to any person, firm or corporation which shall hereafter become vested with title, at any given time, to five or more undeveloped lots for the purpose of causing residence building(s) to be constructed thereon, and any such successor in title to William Brewster Company shall be a Class B member during such period of time as said party is vested with title to five or more lots so long as said lots are undeveloped, developed but unconveyed, or improvements constructed thereon are unoccupied; but only during such period. A Class B member and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

(i) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; provided that the Class B Lots shall be reinstated with all rights, privileges and responsibilities, if

after conversion of the Class B Lots to Class A Lots hereunder, additional land containing Lots is annexed to the existing property pursuant to Section 2.2 hereof; or

(ii) Seven years from the date of this Declaration.

(4.3) Suspension of Rights. During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights of such member may be suspended by the Board of Directors until such assessment is paid. In the event of violation by a member of any rules and regulations established by the Board of Directors, such member's voting rights may be suspended by the Board after a hearing. Such hearings shall be held by the board or a committee thereof after giving a member ten (10) days prior written notice specifying each alleged violation and setting the time, place and date of the hearing. Determination of the violation shall be made by a majority vote of the board or the committee thereof. During any period in which a member shall be in default in the payment of any month, special or other periodic assessment levied by the Association or in violation of any rules or regulations established by the Board of Directors, such member shall be subject to a fine imposed by the Board of Directors which shall be the personal obligation of the person who is the Owner of such Lot at the time when the fine was levied.

(4.4) Management Contracts. The Association is authorized and empowered to engage the services of any person, firm or corporation to act as managing agent of the Association at a compensation level to be established by the Board of Directors and to perform all of the powers and duties of the Association. Provided, however, that the term of any such agreement with a managing agent shall not exceed one (1) year and shall only be renewed by agreement of the parties for successive one year terms. Any such contract shall be terminable by the Association with or without cause upon ninety (90) days prior written notice to the manager without payment of a termination fee. The Association is authorized and empowered to enter into contracts with any person, firm or corporation to provide services to Members, including contracts to operate the Water System.

(4.5) Insurance. The Association shall be required to obtain and maintain to the extent obtainable, public liability insurance in such limits as the Board of Directors may, from time to time, determine to be customary for projects similar in construction, location and use to the development, covering each member of the Board of Directors, the Managing Agent, if any, and each Owner with respect to his liability arising out of the ownership, maintenance or repair of the Common Areas; provided, however, that in no event shall the amounts of such public liability insurance ever be less than a million dollars per occurrence against liability for bodily injury, including death resulting therefrom, and damage to property, including loss of use thereof, occurring upon, in or about, or arising from or relating to, the property or any portion thereof. Such insurance shall include endorsements covering cross-liability claims of one insured against another, including the liability of the Owners as a

single group to a single Owner. The Board of Directors shall review such limits annually. Until the first meeting of the Board of Directors following the initial meeting of the Owners, such public liability insurance shall be in amounts of not less than one million dollars per occurrence for claims for bodily injury and property damage.

ARTICLE V: COVENANT FOR MAINTENANCE ASSESSMENTS

(5.1) Purpose of Assessment. The assessments levied by the Association shall be used: (a) to provide funds for maintenance, upkeep, landscaping and beautification of the Common Area in The Hampshires; (b) to provide services for the Association members to promote the health, safety and welfare of the residents of The Hampshires, and in particular for the acquisition, improvement and maintenance of properties, services and facilities related to the use and enjoyment of the Common Areas, including but not limited to the cost of repair, replacement and additions thereto; (c) for the payment of taxes assessed against the Common Area, for insurance related to the Common Area, for the employment of attorneys, accountants and other professionals to represent the Association when necessary or useful, the employment of security personnel; and (d) the provision of any service which is not readily available from any governmental authority related to the use, occupancy and enjoyment of the properties and which the Association shall decide to provide, excluding the operation of the Water System. The purposes for which assessments may be levied shall include payment for utilities necessary to accomplish the foregoing purposes.

(5.2) Budgeting and Allocating Common Expenses. At least 60 days before the beginning of each fiscal year, the Board shall prepare a budget of the estimated expenses for the operation of the Association and the operation and maintenance of the Common Areas for the coming year. The budget shall also reflect the sources and estimated amounts of funds to cover such expenses, which may include any surplus to be applied from prior years, any income expected from sources other than assessments levied against the Lots, and the amount to be generated through the levy of Annual Assessments and Special Assessments against the Lots, as authorized in Section 5.6. The operation of the Water System shall not be considered in the preparation of the budget or the determination of the Annual Assessment.

The Association is hereby authorized to levy Annual Assessments equally against all Lots subject to assessments to fund the Common Expenses. In determining the Annual Assessment rate per Lot, the Board may consider any assessment income expected to be generated from any additional Lots reasonably anticipated to become subject to assessment during the fiscal year.

The Developer may, but shall not be obligated to, reduce the Annual Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by Developer under Section 5.3), which may, in the Developer's discretion, either be a contribution, an advance against future assessments due from the Developer, or a loan. Any such subsidy shall be

disclosed as a line item in the income portion of the budget. The payment of such subsidy in any year shall not obligate the Developer to continue payment of such subsidy in future years, unless otherwise provided in a written agreement between the Association and the Developer.

The Board shall send a copy of the final budget and notice of the amount of the Annual Assessment to be levied to each Owner at least 30 days prior to the effective date of such budget. The budget shall automatically become effective unless disapproved at a meeting by Members holding at least 75% of the total Class "A" votes and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purposes of considering the budget except on petition of the members as provided for special meetings in the Bylaws. Any such petition must be presented to the board within 10 days after delivery of the budget and notice of any assessment.

If any proposed budget is disapproved or the board fails for any reason to determine the budget for any year, then the budget most recently in effect shall continue in effect until a new budget is determined.

The Board may revise the budget and adjust the Annual Assessment from time to time during the year, subject to the notice requirements and the right of the Members to disapprove the revised budget as set forth above.

(5.3) Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a Deed therefor, whether or not it shall be so expressed in said Deed, is deemed to covenant and agree to pay to the Association:

(a) Annual assessments ("Annual Assessments") as established in Section 5.2 for the purposes specified in Section 5.1 which shall be paid in two equal semi-annual installments due on February 28 and August 31 of each year; and

(b) Special assessments ("Special Assessments") as may be established in Section 5.6 for the purposes specified in Section 5.1 as may be approved by the members, to be established, and collected as provided herein.

In order to secure payment of the Annual and Special Assessments, such charges as may be levied by the Association against any Lot, together with interest, costs of collection and reasonable attorneys' fees, shall be a continuing lien upon the Lot against which each such assessment or charge is made. Each such assessment, together with interest, fines, late charges, costs of collection and reasonable attorneys' fees shall also be the personal obligation of the person who is the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to an Owner's

successor in title unless expressly assumed by them. Such assumption shall not relieve an Owner of his obligations.

(5.4) Exempt Property. The assessments, charges and liens created under this Article shall not apply to the Common Area, nor shall they apply to any Lot the title to which is vested either in any first mortgagee subsequent to foreclosure or in the Secretary of Housing and Urban Development or the Administrator of Veterans Affairs or any other state or federal governmental agency which acquired title by reason of such agency's guarantee or insurance of a foreclosed mortgage loan; provided, however, that upon the resale of such property by such first mortgagee or such governmental agency the assessment shall again accrue on such Lot. Any Lot which Developer may hereinafter designate for common use as part of the Common Areas shall also be exempt by a local public authority, and all land granted to or used by a utility company shall be exempt from the assessments created herein.

(5.5) Maximum Annual Assessments. For any fiscal year beginning during the calendar year 2000 the maximum Annual Assessment shall be One Hundred Twenty Dollars ($120.00) on each Lot. For the fiscal year beginning during the calendar year 2001 the maximum Annual Assessment shall be Two Hundred Forty Dollars ($240.00) on each Lot. Annual Assessments may only be increased in accordance with the following:

(a) From and after January 1, 2002, the maximum Annual Assessment may be increased each year not more than ten percent (10%) above the maximum Annual Assessment for the previous year without a vote of the membership.

(b) From and after January 1, 2003, the maximum Annual Assessment may be increased above ten percent (10%) of the previous year's Annual Assessment by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum herein provided.

The Annual Assessments shall be paid as provided in Subparagraph 5.3(a).

(5.6) Special Assessments. In addition to the Annual Assessments authorized above, the Association may levy, in any assessment year, a Special Assessment applicable to that year only provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of the Association members who are voting in person or by proxy at a meeting duly called for this purpose.

(5.7) Date of Commencement of Annual Assessments; Due Dates; Certificate of Payment. The Annual Assessments shall commence as to all Lots on the first day of the month following the date such property is submitted to the provisions of this Declaration. From the

date on which the Annual Assessments commence on a Lot until the date on which the Lot is sold by the Developer to a purchaser, the Developer and all other Class B members shall be liable for Annual Assessments at a rate which is one-third (1/3) of the rate otherwise payable. The first Annual Assessment shall be adjusted according to the number of days remaining in the calendar year when filed. The Association shall, upon demand for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid to date.

(5.8) Effect of Non-Payment of Assessment; Remedies of the Association. Notwithstanding Section 5.7 hereof, the Developer may, at its election, postpone in whole or in part the date on which the assessment shall commence provided that the Developer maintains the Common Area for which no assessment is being collected during the period of such postponement. Any assessment not paid within fifteen (15) days after the due date shall be assessed a late charge as determined by the Board of Directors and bear interest from the due date at an annual rate of twelve percent (12%) but in no event above the then maximum legal rate, and to the extent allowed by law. The Association, or its agent or representative, may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot to which the assessment relates, and interest, costs and reasonable attorneys' fees for such action or foreclosure shall be added to the amount of such assessment to the extent allowed by law. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area, abandonment of his Lot or for any other reason.

(5.9) Subordination of the Lien to First Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first priority deed of trust or first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to any first mortgage pursuant to a foreclosure thereof or under a power of sale or any proceeding in lieu of foreclosure thereof shall extinguish the lien of such assessment as to payment which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof.

(5.10) Charges for Water Service. Each Owner shall pay to the Association or its designee, successor or assign, charges for water furnished to Owner's Lot through the Water System at rates established by the Association from time to time, including minimum charges. These charges shall be in addition to any and all Assessments levied by the Association.

ARTICLE VI: USE RESTRICTIONS

(6.1) Use of Common Areas. No planting or gardening by individual Owners shall be done upon any Common Area. Except for the right of easement of enjoyment in and to the Common Areas herein given to each Owner, Owners are hereby prohibited and restricted from using any of the Common Area except as may be allowed and prescribed by the

Association's Board of Directors or as expressly provided for herein. It is Developer's intent that this paragraph inure to the mutual benefit of all Owners within the properties, and each Owner shall have a nonexclusive easement right to use and enjoy the Common Areas which shall be appurtenant to and shall pass with the title to his Lot, subject to the following:

(a) The right of the Association to promulgate and enforce reasonable regulations governing the use of the Common Areas to ensure the availability of the right to use the Common Areas to the Owners and the safety of all Owners on the Common Areas;

(b) The right of the Association to suspend the voting rights of an Owner in the Association and the right of the Association to suspend the right to use certain or all of the Common Areas by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) The right of the Developer or the Association to grant utility, drainage or other easements across the Common Areas; and

(d) The right of the Developer or the Association to permit use of any recreational facility situated on the Common Area by persons other than Owners, their families, lessees and guests upon payment of use fees established by the Developer or the Association.

(6.2) Use of Lots. Each Lot now or hereafter subjected to this Declaration are subjected to the following restrictions as to the use thereof running with said property by whomsoever owned:

(a) Residential Lots Only. All lots in the tract shall be known and described as residential lots and shall be used only for residential purposes. No structure shall be erected, altered, placed or permitted to remain on any lot other than a single-family dwelling not to exceed two and one-half (2-1/2) stories in height excluding basement and one other accessory structure customarily incidental to the use of the lot. All accessory structures shall be constructed in harmony with the dwelling house.

(b) Setbacks. No building shall be located nearer to the front property line or any side street line than the building setback line as shown on the recorded map. No building shall be located nearer any side lot than the applicable zoning ordinance shall allow. In the event of the unintentional violation of any minimum setback requirements herein set forth, Developer, for itself and for its successors and assigns, reserves the right, by and with the mutual consent of the owner of the lot in question, to change the restrictions set forth in this instrument, provided, however, that such

changes shall not exceed ten percent (10%) of the marginal requirements of such restrictions.

(c) Minimum Square Footage. The total heated area of each dwelling unit shall be not less than 1,000 square feet under roof.

(d) Limitation of Subdivision of Lots. No Lot shall be subdivided so as to increase the total number of lots shown on said recorded plat.

(e) Driveway. Any driveway constructed or used in or on any lot in the subdivision shall have either an asphalt, brick or concrete surface which shall be kept and maintained in good condition and repair.

(f) Maintenance. Exterior maintenance, upkeep and repair to the yard, fence, walkways, shrubbery, dwelling and other improvements on each lot shall be the sole responsibility and expense of the owner of the lot. The owner of each lot shall maintain his lot or lots in a neat and clean condition, free of all trash, debris, weeds and vines. The yard, grounds, shrubbery and trees shall be maintained in a neat and trim condition at all times.

(g) Nuisances. No obnoxious or offensive trade or activity shall be carried on or upon any lot nor shall anything be done thereof which may be or become any annoyance or nuisances to the neighborhood.

(h) Other Structures. No trailer, basement, tent, shack, garage, barn or other outbuilding erected on the tract shall at any time be used as a residence temporarily or permanently nor shall any structure of a temporary character be used as a residence. No above-ground swimming pools shall be permitted on any lot. No accessory structure shall be moved onto any lot unless it shall conform to and be in harmony with the existing structures in the tract as to design and color. No metal buildings shall be allowed to remain on any lot and all accessory structures must be situated on a permanent foundation. Nothing contained herein shall prevent a construction trailer or sales trailer from being located temporarily on a lot during the construction of improvements within the subdivision.

(i) Utility and Drainage Easements. A perpetual easement is reserved over the rear ten (10) feet of each lot for utility installation and maintenance, and public drainage, and/or as shown on the recorded map. A perpetual easement is reserved over the side five (5) feet of each lot line for utility installation, and/or as shown on the recorded map.

(j) Signs. No sign of any kind shall be displayed to the public view on any lot except one sign of not more than five (5) square feet advertising the property for sale

or rent, or a sign used by a builder or Developer to advertise the property during the construction and sales period. Developer shall have the right to place permanent signs for The Hampshires within the development.

(k) Animals and Pets. No animals, livestock or poultry of any kind shall be raised, bred, pastured or maintained on any lot, except household pets which may be kept thereon for the sole pleasure and use of the occupants, but not for any commercial use or purpose and no more than three (3) pets over the age of six (6) months which stay primarily outside the residence shall be permitted at any time.

(l) Rubbish and Garbage. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or waste shall not be kept except in sanitary containers.

(m) Fences and Walls. No fence or wall shall be erected on a Lot closer to the street right-of-way line than the front of the house. In the case of a corner Lot, no fence or wall shall be erected within the side yard setback adjoining the road right-of-way, except for split rail fences. Solid or privacy fences shall be erected entirely to the rear of the residence exclusive of decks and porches. "Solid" is defined for purposes of this Declaration as fencing with more than 60% of any of its surface closed as viewed from a point on a line of sight perpendicular to the line of the fence.

The following types of fences or walls shall not be erected on any Lot:

A. Chain link or other metal fencing is not permitted, except that 2 inch by 4 inch metal mesh may be used with split rail fencing to contain animals or children.

B. Any fence or wall in excess of six (6) feet in height.

C. Any fence or wall located within the road right-of-way.

D. Dog runs or animal cages.

The location restrictions set forth above shall not pertain to any fencing erected within the Common Area or as part of the permanent entryways to The Hampshires.

(n) Clotheslines, Garbage Cans, Etc. All garbage cans, lawnmowers and similar equipment shall be kept in an enclosed structure or screened by adequate planting or fencing as to conceal same from the view of neighboring owners and streets. Clotheslines shall not be used nor permitted to be erected or placed on any lot.

(o) Radio and Television Antennas. No freestanding radio or television transmission or reception towers, antennas, dishes or discs shall be erected on a lot. Only one radio and one television antenna attached to the residence not exceeding five (5) feet in height above the roofline of the residence and only one (1) dish attached to the house not exceeding two (2) feet in diameter not visible from the street in front of the residence shall be permitted.

(p) Commercial Vehicles, Buses, Etc. No commercial vehicle in excess of one (1) ton capacity or buses, including, but not limited to, school buses, shall be parked within the property shown on the above-described recorded plats. In addition, no boats and trailers or campers shall be parked in front of the residence on any lot, or within the front or side setback of any lot. Only one (1) boat and trailer or one (1) camper may be parked on any lot at any one time. No tagless or junk vehicles shall be parked on the street in front of the residence or on any lot unless in an enclosed garage.

(q) Sight Lines. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the roadway shall be placed or permitted to remain on any corner lot within the triangle area formed by the street property lines and a line connecting them at points thirty-five (35) feet from the intersection of the street property lines extended or within any sight easement shown on any recorded plat.

(r) Basketball Goals Within Road Right-of-way. No basketball goal shall be erected or allowed to remain within the right-of-way of any street located within the Submitted Property.

(s) Covenants Independent of One Another. Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect.

(t) Limitations. It is distinctly understood and agreed that nothing herein contained shall be taken and construed as imposing any conditions or restrictions upon any land not specifically covered by these restrictions.

(6.3) Architectural Control. After completion of the construction of the principal residence located on any Lot, no building, fence, wall, or other structure shall be commenced or maintained upon the properties, nor shall any exterior addition to or change or alteration therein be made, including the erection of antennas, aerials, awnings, the replacement of reflective or other material in the windows of a house or other exterior attachment, until the plans and specifications showing the nature, kind, shape, heights, materials, and locations of the same shall have been submitted to and approved in writing as to the harmony of external design and location in relation to surrounding structures and topography by an

Architectural Control Committee composed of three or more representatives appointed by Developer or by the Board of Directors, once Developer assigns to it the right of appointment hereunder. In the event said committee fails to approve or disapprove such design and location within 30 days after said plans and specifications have been submitted to it, approval will not be required, and this paragraph 6.3 will be deemed to have been fully complied with. The Architectural Control Committee shall have the right to charge a reasonable fee for receiving such application in an amount not to exceed $25.00. The Architectural Control Committee shall not approve any alterations, decorations, or modifications which would jeopardize or impair the soundness, safety or appearance of any Lot. Refusal or approval of plans, specifications, builder or location may be based upon any grounds including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Architectural Control Committee shall be deemed sufficient. Provided that nothing contained herein shall be construed to permit interference with the development of the properties by the Developer in accordance with its general plan of development.

ARTICLE VII: EASEMENTS

(7.1) General. Each Lot now or hereafter subjected to this Declaration shall be subject to all easements shown or set forth on the recorded plat or plats of survey upon which such Lot is shown. No structure of any type shall be erected or placed upon any part of a Lot or the Common Area which shall interfere with rights and use of any and all easements shown on said recorded plat.

(7.2) Utility and Drainage. An Easement on each Lot is hereby reserved by Developer for itself and its successors and assigns along, over, under and upon a strip of land ten (10) feet in width along the rear lot lines of all Lots shown on the recorded plats, and easements five (5) feet in width along the front and side lot lines of all Lots shown on recorded plats, in addition to such other easements as may appear on a recorded subdivision plat for The Hampshires. The purposes of these easements shall be to provide, install, maintain, construct and operate drainlines to, from or for each of the Lots. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction or flow or drainage channels in the easements except for party walls located on a portion of the side line or lines of a Lot. The easement area of each and all improvements in it shall be maintained continuously by Owner, except for those improvements for which a public authority or utility is responsible. With ten (10) days' prior written notice to Owner, Developer may exercise the right to remove obstructions in such easements upon Owner's failure to do so. For the purpose of this covenant, Developer reserves the right to modify or extinguish the herein reserved easements along any Lot lines when in its sole discretion adequate reserved easements are otherwise available for the installation of drainage facilities and/or utility service lines. For the duration of these restrictions, no such utilities shall be permitted to occupy or otherwise encroach upon any of the easement areas reserved without first obtaining the prior written consent of Developer; provided, however, local service from

utilities within easement areas to residence constructed upon any such lots may be established without first obtaining separate consents therefor from Developer. The Association may likewise reserve and grant easements for the installation and maintenance of sewerage, utility and drainage facilities in, across, under and over the Common Area.

(7.3) Control of Signs. Developer shall have the right to place permanent and temporary directional and advertising signs for The Hampshires on the Common Area and unsold Lots and within street rights-of-way until one hundred percent (100%) of the Lots have been sold.

(7.4) Emergency. There is hereby reserved without further assent or permit and to the extent allowed by law, a general easement to all firemen, ambulance personnel, policemen and security guards employed by Developer and all similar persons to enter upon the Properties or any portion thereof, in the performance of their respective duties.

(7.5) Municipal Easement. A general easement of access is granted to all utility providers, into, over and through each Lot for the purpose of maintaining, repairing and servicing the utility lines located on said Lot and for providing municipal services to which said Lot is entitled.

ARTICLE VIII: GENERAL PROVISIONS

(8.1) Covenants Running with the Land. All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, and every Owner or any other person or legal entity claiming an interest in any Lot, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of this Declaration.

(8.2) Duration. The covenants, conditions and restrictions of this Declaration shall be binding for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive and additional periods of ten (10) years each.

(8.3) Amendment. This Declaration may be amended or terminated during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Owners, and thereafter may be amended or terminated by an instrument signed by not less than seventy-five percent (75%) of the Owners subject to the following conditions:

(a) All additions or amendments must be consented to by Developer in writing so long as Developer is the owner of any lot in the development;

(b) Notwithstanding anything in this Section 8.3 to the contrary, Developer may, at Developer's option, amend this Declaration without obtaining the consent or approval of any other person or entity if such amendment is necessary to cause this

Declaration to comply with the requirements of the FHA, VA, the Federal National Mortgage Association or other similar agency;

(c) No amendment shall become effective until the instrument evidencing such change has been filed of record in the Iredell County Public Registry.

(8.4) FHA/VA Approval. In the event the Developer, its successors or assigns, has arranged for and provided purchaser of Lots with FHA insured or VA mortgage loans, then as long as any Class B lot exists, as provided in Article VI hereof, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, other than as provided in Article II hereof, deeding, mortgaging or dedication of Common Area to persons other than the Association and amendment of this Declaration.

(8.5) Enforcement. If any Owner shall violate or attempt to violate any of these restrictions, failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the Board of Directors on behalf of the Association, or, in proper case, by an aggrieved Owner. Any failure by Association or any other Owner to enforce any of the foregoing restrictions or other provisions shall in no event be deemed a waiver of their right to do so thereafter. Invalidation of any covenant, condition or restriction or other provision of this Declaration shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

(8.6) Headings. Headings are inserted only for convenience and are in no way to be constructed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer.

(8.7) Unintentional Violation of Restrictions. In the event of unintentional violation of any of the foregoing restrictions with respect to any Lot, the Developer or its successors reserves the right (by and with the mutual written consent of the then Owner or Owners of such Lot) to change, amend or release any of the foregoing restrictions as the same may apply to that particular Lot.

(8.8) Severability. The provisions of this Declaration are severable and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder hereof.

ARTICLE IX: ANNEXATION OF PROPERTY

It is the Developer's intention that the Property shall be annexed to the Town of Mooresville by means of a voluntary petition for annexation. Each Owner by accepting a deed to a Lot within the Property whether from Developer or an intervening Owner consents to the annexation of the Property, including the Owner's Lot, by the Town of Mooresville. To that end each Owner hereby appoints Developer as its true and lawful attorney-in-fact and grants to Developer full power to act in Owners name, place and stead for the purpose of executing one or more petitions for voluntary annexation of the Property, including the Owner's Lot, to the Town of Mooresville. This shall constitute a Power of Attorney coupled with an interest and may not be revoked.

IN WITNESS WHEREOF the Developer has caused this Declaration to be executed under seal on the day and year first above written.

WILLIAM BREWSTER COMPANY, INC.

By: _____
Everett F. Jacobus, Jr., President

NORTH CAROLINA

MECKLENBURG COUNTY

I, Pamela S. Mullis, a Notary Public of the County and State aforesaid, certify that Everett F. Jacobus, Jr., personally came before me this day and acknowledged that he is President of William Brewster Company, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official stamp or seal, this 29th day of September, 2000.

(Notarial Seal) PAMELA S. MULLIS NOTARY PUBLIC MECKLENBURG CO., NC

Pamela S. Mullis
Notary Public

My Commission expires: May 23, 2003

The foregoing Certificate(s) of Pamela S. Mullis

is/~~are~~ certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

Brenda D. Bell REGISTER OF DEEDS FOR Iredell COUNTY

By M. Alison Hager Deputy /~~Assistant~~ Register of Deeds.

EXHIBIT A

Being all of the lots, common area and other property in The Hampshires Phase I as shown on a map thereof recorded in Map Book 36 at Page 91 in the Iredell County Public Registry.

IREDELL COUNTY NC
Book 1243
Pages 0977-0978
FILED 2 PAGE(S)
02/23/2001 12:19 PM
BRENDA D. BELL
Register Of Deeds

Prepared by: Richard J. Kline
Mail to: Post Office Box 1508
Davidson, North Carolina 28036

STATE OF NORTH CAROLINA

IREDELL COUNTY

SECOND SUPPLEMENTAL DECLARATION

OF COVENANTS AND RESTRICTIONS

FOR THE HAMPSHIRES, PHASE 2

THIS SECOND SUPPLEMENTAL DECLARATION is made this 22nd day of February, 2001 by WILLIAM BREWSTER COMPANY, INC., herein called "Declarant",

WITNESSETH

WHEREAS, Declarant has filed a Declaration of Covenants, Conditions and Restrictions for The Hampshires dated September 29, 2000, recorded October 5, 2000 in Book 1221 at Page 1747, the "Restrictions";

WHEREAS, Declarant had intended to extend the application of said Restrictions to additional lots and common areas as phases of The Hampshires Subdivision were developed and ready for sale and to that end Declarant reserved the right in Article II, Section 2.2 of the Restrictions to subject additional lots and common areas to the terms of the Restrictions.

WHEREAS, Declarant now wishes to extend the application of the Restrictions to the lots and common areas contained in Phase 2 of The Hampshires Subdivision as shown on maps thereof filed in Map Book 37 at Page 54, Map Book 37 at Page 61 and Map Book 37 at Page 62 Iredell County Public Registry (the "Phase 2 Property").

NOW THEREFORE, Declarant hereby declares that all of the Phase 2 Property is, and shall be, held, transferred, sold, conveyed, occupied and used subject to the restrictions and matters set forth in the Restrictions, which are incorporated herein by this reference.

This Second Supplemental Declaration shall be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in the

Phase 2 Property, or any part thereof, and which shall inure to the benefit of each owner thereof. Every party acquiring any Lot or portion thereof or Common Area in the Phase 2 Property, by acceptance of a deed conveying title thereto or by execution of a contract for the purchase thereof, whether from the Declarant or a subsequent owner of such Lot or Common Area, shall accept such deed or contract subject to each and all of the covenants, restrictions and agreements contained within the Restrictions and also subject to the jurisdiction, rights and powers of the Declarant, The Hampshires Homeowners Association, Inc. (the "Association") and their successors and assigns. Each grantee of any Lot or Common Area by accepting the deed or contract thereto, shall for himself, his heirs, administrators, successors and assigns, covenant, consent and agree to and with the Declarant, the Association and the grantees and owners of each of the Lots and Common Areas within the property subject to the Restrictions to keep, observe, comply with, and perform said Restrictions and agreements.

IN WITNESS WHEREOF, Declarant has caused this instrument to be duly executed the day and year first above appearing.

WILLIAM BREWSTER COMPANY, INC.

By: _____
Everett F. Jacobus, Jr., President

NORTH CAROLINA

MECKLENBURG COUNTY

I, Pamela S. Mullis, a notary public of the County and State aforesaid, certify that Everett F. Jacobus, Jr. personally came before me this day and acknowledged that he is President of William Brewster Company, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this 22nd day of February, 2001.

(Official Seal)

PAMELA S. MULLIS NOTARY PUBLIC MECKLENBURG CO., NC

_____
Pamela S. Mullis
Notary Public

My Commission expires: May 23, 2003

IREDELL COUNTY NC
Book 1224
Pages 1650-1651
FILED 2 PAGE(S)
10/25/2000 11:56 AM
BRENDA D. BELL
Register of Deeds

Prepared by: Richard J. Kline
Mail to: Post Office Box 1508
Davidson, North Carolina 28036

STATE OF NORTH CAROLINA

IREDELL COUNTY

COPY

FIRST SUPPLEMENTAL DECLARATION

OF COVENANTS AND RESTRICTIONS

FOR THE HAMPSHIRES, PHASE I

THIS FIRST SUPPLEMENTAL DECLARATION is made this 24th day of October, 2000 by WILLIAM BREWSTER COMPANY, INC., herein called "Declarant",

WITNESSETH

WHEREAS, Declarant has filed a Declaration of Covenants, Conditions and Restrictions for The Hampshires dated September 29, 2000, recorded October 5, 2000 in Book 1221 at Page 1747, the "Restrictions";

WHEREAS, Declarant had intended to extend the application of said Restrictions to additional lots and common areas as phases of The Hampshires Subdivision were developed and ready for sale and to that end Declarant reserved the right in Article II, Section 2.2 of the Restrictions to subject additional lots and common areas to the terms of the Restrictions.

WHEREAS, Declarant now wishes to extend the application of the Restrictions to the lots and common areas contained in Phase I of The Hampshires Subdivision as shown on map thereof filed in Map Book 36 at Page 135 Iredell County Public Registry (the "Phase I Property").

NOW THEREFORE, Declarant hereby declares that all of the Phase I Property is, and shall be, held, transferred, sold, conveyed, occupied and used subject to the restrictions and matters set forth in the Restrictions, which are incorporated herein by this reference.

This First Supplemental Declaration shall be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in the

Phase I Property, or any part thereof, and which shall inure to the benefit of each owner thereof. Every party acquiring any Lot or portion thereof or Common Area in the Phase I Property, by acceptance of a deed conveying title thereto or by execution of a contract for the purchase thereof, whether from the Declarant or a subsequent owner of such Lot or Common Area, shall accept such deed or contract subject to each and all of the covenants, restrictions and agreements contained within the Restrictions and also subject to the jurisdiction, rights and powers of the Declarant, The Hampshires Homeowners Association, Inc. (the "Association") and their successors and assigns. Each grantee of any Lot or Common Area by accepting the deed or contract thereto, shall for himself, his heirs, administrators, successors and assigns, covenant, consent and agree to and with the Declarant, the Association and the grantees and owners of each of the Lots and Common Areas within the property subject to the Restrictions to keep, observe, comply with, and perform said Restrictions and agreements.

IN WITNESS WHEREOF, Declarant has caused this instrument to be duly executed the day and year first above appearing.

WILLIAM BREWSTER COMPANY, INC.

By: _____
Everett F. Jacobus, Jr., President

NORTH CAROLINA

MECKLENBURG COUNTY

I, Pamela S. Mullis, a notary public of the County and State aforesaid, certify that Everett F. Jacobus, Jr. personally came before me this day and acknowledged that he is President of William Brewster Company, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this 24th day of October, 2000.

(Official Seal) PAMELA S. MULLIS NOTARY PUBLIC MECKLENBURG CO., N.C.

_____
Notary Public

My Commission expires: May 13, 2003

Doc ID: 009787620006 Type: CRP
Recorded: 01/11/2006 at 12:53:57 PM
Fee Amt: $29.00 Page 1 of 6
Iredell County, NC
Brenda D. Bell Register of Deeds
BK 1714 PG 1181-1186

STATE OF NORTH CAROLINA

IREDELL COUNTY

THIRD SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS FOR THE HAMPSHIRES, PHASE 3

6

THIS THIRD SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS FOR THE HAMPSHIRES, PHASE 3 (the "Third Supplemental Declaration") is made this 3rd day of November, 2005 by WILLIAM BREWSTER COMPANY, INC., herein called "Declarant" and NEIGHBORHOODS AT THE HAMPSHIRES, INC., herein called "Owner".

W I T N E S S E T H

WHEREAS, Declarant has filed a Declaration of Covenants, Conditions and Restrictions for The Hampshires dated September 29, 2000, recorded October 5, 2000 in Book 1221 at Page 1747, the "Restrictions";

WHEREAS, Declarant had intended to extend the application of said Restrictions to additional lots and common areas as phases of The Hampshires Subdivision were developed and ready for sale and to that end Declarant reserved the right in Article II, Section 2.2 of the Restrictions to subject additional lots and common areas to the terms of the Restrictions;

WHEREAS, Owner acquired title to a 28.790 acre parcel of land and the unopened portion of the right of way for Mott Road shown in Map Book 37 Page 62 Iredell County Public Registry by deeds from Declarant recorded in Book 1550 Page 1694 and Book 1557 Page 1663 Iredell County Public Registry (collectively the "Phase 3 Property").

WHEREAS, Declarant and Owner now wish to extend the application of the Restrictions

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Prepared by: Richard J. Kline
Mail to: Post Office Box 1508
Davidson, North Carolina 28036

to the lots and common areas contained in the Phase 3 Property as shown on a map thereof filed in Map Book 46 at Page 62 Iredell County Public Registry; and

WHEREAS, certain lots in the Phase 3 Property have been sold and the owners of such lots, as identified on the signature page, ("Lot Owners") wish to enter into this Third Supplemental Declaration for the purpose including such lots within the plan of development for The Hampshires and to subject such lots to the provisions of this Third Supplemental Declaration and the Restrictions.

NOW THEREFORE, Declarant, Owner and Lot Owners hereby declare that all of the Phase 3 Property is, and shall be, held, transferred, sold, conveyed, occupied and used subject to the restrictions and matters set forth in the Restrictions, which are incorporated herein by this reference.

This Third Supplemental Declaration shall be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in the Phase 3 Property, or any part thereof, and which shall inure to the benefit of each owner thereof. Every party acquiring any Lot or portion thereof or Common Area in the Phase 3 Property, by acceptance of a deed conveying title thereto or by execution of a contract for the purchase thereof, whether from the Declarant or a subsequent owner of such Lot or Common Area, shall accept such deed or contract subject to each and all of the covenants, restrictions and agreements contained within the Restrictions and also subject to the jurisdiction, rights and powers of the Declarant, The Hampshires Homeowners Association, Inc. (the "Association") and their successors and assigns. Each grantee of any Lot or Common Area by accepting the deed or contract thereto, shall for himself, his heirs, administrators, successors and assigns, covenant, consent and agree to and with the Declarant, the Association and the grantees and owners of each of the Lots and Common Areas within the property subject to the Restrictions to keep, observe, comply with, and perform said Restrictions and agreements.

[signatures on next page]

IN WITNESS WHEREOF, Declarant, Owner and Lot Owners have caused this instrument to be duly executed the day and year first above appearing.

DECLARANT:

WILLIAM BREWSTER COMPANY, INC.

By: _____
Everett F. Jacobus, Jr., President

OWNER:

NEIGHBORHOODS AT THE HAMPSHIRES, INC.

By: _____
Everett F. Jacobus, Jr., President

LOT OWNERS:

_____
William M. Phillips

_____
Allison P. Phillips

_____
Glenn Scott Lane, Jr.

_____
Andrea C. Lane

_____
Robert C. Guerity

_____
Linda J. Guerity

_____
John Lindaman

_____
Lisa Dodge Lindaman

STATE OF NORTH CAROLINA

Cabarrus COUNTY

I, Angelique Blount a notary public of the County and State aforesaid, certify that Everett F. Jacobus, Jr. personally came before me this day and acknowledged that he is President of William Brewster Company, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this 3rd day of November, 2005.

(Official Seal)

Angelique Blount
Notary Public

My Commission expires: 7/7/07

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

STATE OF NORTH CAROLINA

Cabarrus COUNTY

I, Angelique Blount, a notary public of the County and State aforesaid, certify that Everett F. Jacobus, Jr. personally came before me this day and acknowledged that he is President of Neighborhoods at the Hampshires, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this 3rd day of November, 2005.

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

(Official Seal)

Angelique Blount
Notary Public

My Commission expires: 7/7/07

STATE OF NORTH CAROLINA

_____ COUNTY

I, _____, a Notary Public of the County and State aforesaid, certify that William M. Phillips and wife, Allison P. Phillips, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this _____ day of _____, 2005.

_____
Notary Public

My commission expires:

(NOTARIAL SEAL)

STATE OF NORTH CAROLINA

Cabarrus COUNTY

I, Angelique Blount, a Notary Public of the County and State aforesaid, certify that Glenn Scott Lane, Jr. and wife, Andrea C. Lane, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this 3rd day of November, 2005.

Angelique Blount
Notary Public

My commission expires: 7/7/07

(NOTARIAL SEAL)

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

STATE OF NORTH CAROLINA
Cabarrus COUNTY

I, Angelique Blount a Notary Public of the County and State aforesaid, certify that Robert C. Guerity and wife, Linda J. Guerity, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this 3rd day of November 2005.

Angelique Blount
Notary Public

My commission expires: 7/7/07

(NOTARIAL SEAL)

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

STATE OF NORTH CAROLINA
Cabarrus COUNTY

I, Angelique Blount, a Notary Public of the County and State aforesaid, certify that John Lindaman and wife, Lisa Dodge Lindaman, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this 3rd day of November 2005.

Angelique Blount
Notary Public

My commission expires: 7/7/07

(NOTARIAL SEAL)

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

ARTICLE XVII
Committees

An Architectural Committee, first appointed by the Developer, to undertake the responsibilities set forth in the Declaration concerning the approval of plans, site approval and other matters set forth in the Declaration, shall be appointed in the manner provided in the Declaration. At any meeting of members, other committees may be established for purposes consistent with the Declaration and these Bylaws.

ARTICLE XVIII
Assets: Purpose

No part of the income of the Association shall inure to the benefit of any officer, director or member of the Association; and upon the dissolution of the Association, the assets thereof shall, after all its liabilities and obligations have been discharged or adequate provisions made therefor, be distributed or conveyed to any association or associations organized for purposes similar to that of the Association, or to a government entity for maintenance.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT, I am the duly elected and acting Secretary of The Hampshires Homeowners Association, Inc., a North Carolina Nonprofit Corporation, and

THAT, the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the initial Board of Directors thereof, held on the _____ day of _____, 199__.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association, this _____ day of _____, 199__.

_____
Secretary

(corporate seal)

IREDELL COUNTY NC
Book 1224
Pages 1650-1651
FILED 2 PAGE(S)
10/25/2000 11:56 AM
BRENDA D. BELL
Register of Deeds

Prepared by: Richard J. Kline
Mail to: Post Office Box 1508
Davidson, North Carolina 28036

STATE OF NORTH CAROLINA

IREDELL COUNTY

COPY

FIRST SUPPLEMENTAL DECLARATION

OF COVENANTS AND RESTRICTIONS

FOR THE HAMPSHIRES, PHASE I

THIS FIRST SUPPLEMENTAL DECLARATION is made this 24th day of October, 2000 by WILLIAM BREWSTER COMPANY, INC., herein called "Declarant",

WITNESSETH

WHEREAS, Declarant has filed a Declaration of Covenants, Conditions and Restrictions for The Hampshires dated September 29, 2000, recorded October 5, 2000 in Book 1221 at Page 1747, the "Restrictions";

WHEREAS, Declarant had intended to extend the application of said Restrictions to additional lots and common areas as phases of The Hampshires Subdivision were developed and ready for sale and to that end Declarant reserved the right in Article II, Section 2.2 of the Restrictions to subject additional lots and common areas to the terms of the Restrictions.

WHEREAS, Declarant now wishes to extend the application of the Restrictions to the lots and common areas contained in Phase I of The Hampshires Subdivision as shown on map thereof filed in Map Book 36 at Page 135 Iredell County Public Registry (the "Phase I Property").

NOW THEREFORE, Declarant hereby declares that all of the Phase I Property is, and shall be, held, transferred, sold, conveyed, occupied and used subject to the restrictions and matters set forth in the Restrictions, which are incorporated herein by this reference.

This First Supplemental Declaration shall be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in the

Phase I Property, or any part thereof, and which shall inure to the benefit of each owner thereof. Every party acquiring any Lot or portion thereof or Common Area in the Phase I Property, by acceptance of a deed conveying title thereto or by execution of a contract for the purchase thereof, whether from the Declarant or a subsequent owner of such Lot or Common Area, shall accept such deed or contract subject to each and all of the covenants, restrictions and agreements contained within the Restrictions and also subject to the jurisdiction, rights and powers of the Declarant, The Hampshires Homeowners Association, Inc. (the "Association") and their successors and assigns. Each grantee of any Lot or Common Area by accepting the deed or contract thereto, shall for himself, his heirs, administrators, successors and assigns, covenant, consent and agree to and with the Declarant, the Association and the grantees and owners of each of the Lots and Common Areas within the property subject to the Restrictions to keep, observe, comply with, and perform said Restrictions and agreements.

IN WITNESS WHEREOF, Declarant has caused this instrument to be duly executed the day and year first above appearing.

WILLIAM BREWSTER COMPANY, INC.

By: Everett F. Jacobus, Jr., President

NORTH CAROLINA

MECKLENBURG COUNTY

I, Pamela S. Mullis, a notary public of the County and State aforesaid, certify that Everett F. Jacobus, Jr. personally came before me this day and acknowledged that he is President of William Brewster Company, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this 24th day of October, 2000.

(Official Seal)

Pamela S. Mullis
Notary Public

My Commission expires: May 23, 2003

IREDELL COUNTY NC
Book 1243
Pages 0977-0978
FILED 2 PAGE(S)
02/23/2001 12:19 PM
BRENDA D. BELL
Register Of Deeds

Prepared by: Richard J. Kline
Mail to: Post Office Box 1508
Davidson, North Carolina 28036

STATE OF NORTH CAROLINA

IREDELL COUNTY

SECOND SUPPLEMENTAL DECLARATION

OF COVENANTS AND RESTRICTIONS

FOR THE HAMPSHIRES, PHASE 2

THIS SECOND SUPPLEMENTAL DECLARATION is made this 22nd day of February, 2001 by WILLIAM BREWSTER COMPANY, INC., herein called "Declarant",

WITNESSETH

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WHEREAS, Declarant now wishes to extend the application of the Restrictions to the lots and common areas contained in Phase 2 of The Hampshires Subdivision as shown on maps thereof filed in Map Book 37 at Page 54, Map Book 37 at Page 61 and Map Book 37 at Page 62 Iredell County Public Registry (the "Phase 2 Property").

NOW THEREFORE, Declarant hereby declares that all of the Phase 2 Property is, and shall be, held, transferred, sold, conveyed, occupied and used subject to the restrictions and matters set forth in the Restrictions, which are incorporated herein by this reference.

This Second Supplemental Declaration shall be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in the

Phase 2 Property, or any part thereof, and which shall inure to the benefit of each owner thereof. Every party acquiring any Lot or portion thereof or Common Area in the Phase 2 Property, by acceptance of a deed conveying title thereto or by execution of a contract for the purchase thereof, whether from the Declarant or a subsequent owner of such Lot or Common Area, shall accept such deed or contract subject to each and all of the covenants, restrictions and agreements contained within the Restrictions and also subject to the jurisdiction, rights and powers of the Declarant, The Hampshires Homeowners Association, Inc. (the "Association") and their successors and assigns. Each grantee of any Lot or Common Area by accepting the deed or contract thereto, shall for himself, his heirs, administrators, successors and assigns, covenant, consent and agree to and with the Declarant, the Association and the grantees and owners of each of the Lots and Common Areas within the property subject to the Restrictions to keep, observe, comply with, and perform said Restrictions and agreements.

IN WITNESS WHEREOF, Declarant has caused this instrument to be duly executed the day and year first above appearing.

WILLIAM BREWSTER COMPANY, INC.

By: _____
Everett F. Jacobus, Jr., President

NORTH CAROLINA

MECKLENBURG COUNTY

I, Pamela S. Mullis, a notary public of the County and State aforesaid, certify that Everett F. Jacobus, Jr. personally came before me this day and acknowledged that he is President of William Brewster Company, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this 22nd day of February, 2001.

(Official Seal)

PAMELA S. MULLIS NOTARY PUBLIC MECKLENBURG CO., NC

Pamela S. Mullis
Notary Public

My Commission expires: May 23, 2003

Doc ID: 009787620006 Type: CRP
Recorded: 01/11/2006 at 12:53:57 PM
Fee Amt: $29.00 Page 1 of 6
Iredell County, NC
Brenda D. Bell Register of Deeds
BK 1714 PG 1181-1186

STATE OF NORTH CAROLINA

IREDELL COUNTY

THIRD SUPPLEMENTAL DECLARATION
OF COVENANTS AND RESTRICTIONS
FOR THE HAMPSHIRES, PHASE 3

THIS THIRD SUPPLEMENTAL DECLARATION OF COVENANTS AND RESTRICTIONS FOR THE HAMPSHIRES, PHASE 3 (the "Third Supplemental Declaration") is made this 3rd day of November, 2005 by WILLIAM BREWSTER COMPANY, INC., herein called "Declarant" and NEIGHBORHOODS AT THE HAMPSHIRES, INC., herein called "Owner".

WITNESSETH

WHEREAS, Declarant has filed a Declaration of Covenants, Conditions and Restrictions for The Hampshires dated September 29, 2000, recorded October 5, 2000 in Book 1221 at Page 1747, the "Restrictions";

WHEREAS, Declarant had intended to extend the application of said Restrictions to additional lots and common areas as phases of The Hampshires Subdivision were developed and ready for sale and to that end Declarant reserved the right in Article II, Section 2.2 of the Restrictions to subject additional lots and common areas to the terms of the Restrictions;

WHEREAS, Owner acquired title to a 28.790 acre parcel of land and the unopened portion of the right of way for Mott Road shown in Map Book 37 Page 62 Iredell County Public Registry by deeds from Declarant recorded in Book 1550 Page 1694 and Book 1557 Page 1663 Iredell County Public Registry (collectively the "Phase 3 Property").

WHEREAS, Declarant and Owner now wish to extend the application of the Restrictions

Prepared by: Richard J. Kline
Mail to: Post Office Box 1508
Davidson, North Carolina 28036

to the lots and common areas contained in the Phase 3 Property as shown on a map thereof filed in Map Book 46 at Page 62 Iredell County Public Registry; and

WHEREAS, certain lots in the Phase 3 Property have been sold and the owners of such lots, as identified on the signature page, ("Lot Owners") wish to enter into this Third Supplemental Declaration for the purpose including such lots within the plan of development for The Hampshires and to subject such lots to the provisions of this Third Supplemental Declaration and the Restrictions.

NOW THEREFORE, Declarant, Owner and Lot Owners hereby declare that all of the Phase 3 Property is, and shall be, held, transferred, sold, conveyed, occupied and used subject to the restrictions and matters set forth in the Restrictions, which are incorporated herein by this reference.

This Third Supplemental Declaration shall be construed as covenants running with the land which shall be binding on all parties having or acquiring any right, title or interest in the Phase 3 Property, or any part thereof, and which shall inure to the benefit of each owner thereof. Every party acquiring any Lot or portion thereof or Common Area in the Phase 3 Property, by acceptance of a deed conveying title thereto or by execution of a contract for the purchase thereof, whether from the Declarant or a subsequent owner of such Lot or Common Area, shall accept such deed or contract subject to each and all of the covenants, restrictions and agreements contained within the Restrictions and also subject to the jurisdiction, rights and powers of the Declarant, The Hampshires Homeowners Association, Inc. (the "Association") and their successors and assigns. Each grantee of any Lot or Common Area by accepting the deed or contract thereto, shall for himself, his heirs, administrators, successors and assigns, covenant, consent and agree to and with the Declarant, the Association and the grantees and owners of each of the Lots and Common Areas within the property subject to the Restrictions to keep, observe, comply with, and perform said Restrictions and agreements.

[signatures on next page]

IN WITNESS WHEREOF, Declarant, Owner and Lot Owners have caused this instrument to be duly executed the day and year first above appearing.

DECLARANT:

WILLIAM BREWSTER COMPANY, INC.

By: _____
Everett F. Jacobus, Jr., President

OWNER:

NEIGHBORHOODS AT THE HAMPSHIRES, INC.

By: _____
Everett F. Jacobus, Jr., President

LOT OWNERS:

_____
William M. Phillips

_____
Allison P. Phillips

_____
Glenn Scott Lane, Jr.

_____
Andrea C. Lane

_____
Robert C. Guerity

_____
Linda J. Guerity

_____
John Lindaman

_____
Lisa Dodge Lindaman

STATE OF NORTH CAROLINA

Cabarrus COUNTY

I, Angelique Blount a notary public of the County and State aforesaid, certify that Everett F. Jacobus, Jr. personally came before me this day and acknowledged that he is President of William Brewster Company, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this 3rd day of November, 2005.

(Official Seal)

Angelique Blount
Notary Public

My Commission expires: 7/7/07

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

STATE OF NORTH CAROLINA

Cabarrus COUNTY

I, Angelique Blount, a notary public of the County and State aforesaid, certify that Everett F. Jacobus, Jr. personally came before me this day and acknowledged that he is President of Neighborhoods at the Hampshires, Inc., a North Carolina corporation, and that he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official seal, this 3rd day of November, 2005.

(Official Seal)

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

Angelique Blount
Notary Public

My Commission expires: 7/7/07

STATE OF NORTH CAROLINA

_____ COUNTY

I, _____, a Notary Public of the County and State aforesaid, certify that William M. Phillips and wife, Allison P. Phillips, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this _____ day of _____, 2005.

_____
Notary Public

My commission expires:

(NOTARIAL SEAL)

STATE OF NORTH CAROLINA

Cabarrus COUNTY

I, Angelique Blount, a Notary Public of the County and State aforesaid, certify that Glenn Scott Lane, Jr. and wife, Andrea C. Lane, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this 3rd day of November, 2005.

Angelique Blount
Notary Public

My commission expires: 7/7/07

ANGELIQUE BLOUNT
NOTARIAL
NOTARY
PUBLIC
CABARRUS COUNTY, N.C.

STATE OF NORTH CAROLINA
Cabarrus COUNTY

I, Angelique Blount a Notary Public of the County and State aforesaid, certify that Robert C. Guerity and wife, Linda J. Guerity, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this 3rd day of November 2005.

Angelique Blount
Notary Public

My commission expires: 7/7/07

(NOTARIAL SEAL)

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

STATE OF NORTH CAROLINA
Cabarrus COUNTY

I, Angelique Blount, a Notary Public of the County and State aforesaid, certify that John Lindaman and wife, Lisa Dodge Lindaman, personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this 3rd day of November 2005.

Angelique Blount
Notary Public

My commission expires: 7/7/07

(NOTARIAL SEAL)

ANGELIQUE BLOUNT NOTARY PUBLIC CABARRUS COUNTY, N.C.

EXHIBIT C

BYLAWS
OF
THE HAMPSHIRES HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
Name and Location

The name of the corporation is THE HAMPSHIRES HOMEOWNERS ASSOCIATION, INC., (the "Association"). The principal office of the Association shall be located at 949 Southwest Drive, Davidson, North Carolina 28036, or at such other place as the Board of Directors may deem convenient or the affairs of the Association may require, provided that meetings of members and directors may be held at such place and location in the State of North Carolina as may be agreed upon by the majority of the Board of Directors.

ARTICLE II
Definitions

1. "Association" shall mean THE HAMPSHIRES HOMEOWNERS ASSOCIATION, INC., a nonprofit corporation organized and existing under the laws of the State of North Carolina, its successors and assigns.

2. "Common Area(s)" shall have the same meaning as contained in the Declaration.

3. "Declaration" shall mean the Declaration of Covenants, Conditions, and Restrictions applicable to the Properties as recorded in the Office of the Register of Deeds for Iredell County, North Carolina.

4. "Developer" shall mean William Brewster Company, Inc. having a principal place of business in Davidson, North Carolina, his successors and assigns.

5. "Lot" shall have the same meaning as contained in the Declaration.

6. "Owner" shall have the same meaning as contained in the Declaration.

7. "Properties" shall mean any and all of that certain real property now or which may hereafter be made subject to the Declaration as part of the subdivision being developed by Developer in the Town of Mooresville, Iredell County, North Carolina, which subdivision is and shall be commonly known as The Hampshires.

ARTICLE III
Membership

Section 1. Every person or entity who is the Owner of record of a fee interest in any Lot or who is purchasing one or more Lots under a contract or purchase agreement within the Properties shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, Bylaws, rules and regulations. The foregoing is not intended to include persons or entities who hold an interest in any Lot merely as security for the performance of an obligation. Ownership of such Lot shall be the sole qualification for membership. When any Lot is owned of record in joint tenancy or tenancy in common or by some other legal entity, or when two or more persons or other legal entity is purchasing one or more Lots under a contract or agreement of purchase, the membership as to such Lot(s) shall be joint and the right of such membership pertaining to voting power arising therefrom shall be exercised only as stipulated in Article V hereinbelow.

Section 2. During any period in which a member shall be in default in the payment of any annual, special or other periodic assessment levied by the Association, the voting rights and right to the use of the Recreational Areas or any other facilities which the Association may provide may be suspended by the Board of Directors until such assessment is paid. In the event of violation by a member of any rules or regulations established by the Board of Directors, such member's voting and use rights may be suspended by the Board or its authorized designee as provided in the Declaration.

Section 3. No membership or initiation fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the Association except to pay when due the charges, assessments and special assessments levied upon each member's Lot as specified in the Declaration, these Bylaws, or as the members of the Association may from time to time hereafter adopt.

ARTICLE IV
Meetings of Members

Section 1. The first annual meeting of the members shall be held within three (3) months following the filing of the Articles of Incorporation for the Association, the exact date, time and place of which shall be determined at the election of Declarant, and each subsequent annual meeting of the members shall be held on the same day of the same month of each year thereafter. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 2 of this Article. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 2. Special meetings of the members may be called at any time by the President or by a majority of the Board of Directors, or upon written request of the members who are entitled to vote one-third (1/3) of the votes of each class of membership of the Association.

Section 3. Written notice of meetings stating the time and place of the meeting and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary or the person authorized to call the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. mails addressed to the member at his address as it appears on the records of the Association with the postage thereon prepaid.

Section 4. The presence in person or by proxy at the meeting of members entitled to vote, fifty percent (50%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. A majority of the votes entitled to be cast by the members present in person or represented by proxy at such meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members. 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 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; provided, however, that when a meeting is adjourned for more than 45 days from the date set forth in the original notice of meeting, notice of the adjourned meeting shall be given as in the case of an original meeting.

Section 5. 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. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot within the Properties.

ARTICLE V
Voting and Voting Rights

Section 1. The voting rights of the membership shall be appurtenant to the ownership of the Lot and shall otherwise be as set forth in the Declaration.

A. Any member who is delinquent in the payment of any charges duly levied by the Association against a Lot owned by such member shall not be entitled to vote until payment of all such charges, together with such reasonable penalties as the Board of Directors of the Association may impose, has been made.

B. Members shall vote in person or by proxy executed in writing by the member. No proxy shall be valid after eleven (11) months from the date of its execution or upon conveyance by the member of his Lot. A corporate member's vote shall be cast by the

President of the member corporation or by any other officer or proxy appointed by the President or designated by the Board of Directors of such corporation.

C. Voting on all matters (except the election of directors, which shall be by written ballot) shall be by voice vote or by show of hands unless a majority of the members of each Class present at the meeting shall, prior to voting on any matter, demand a ballot vote on that particular matter. Where directors or officers are to be elected by the members, the solicitation of proxies for such elections may be conducted by mail.

ARTICLE VI
Property Rights

Section 1. Each member of the Association shall be entitled to the use and enjoyment of the Common Areas subject to the provisions of the Declaration.

Section 2. Each member of the Association shall have such an interest in the Association as is represented by the ratio of the number of votes to which said member is entitled to the total number of votes in the Association. Said number may change from time to time as additional property is subjected to the Restrictions and these Bylaws.

ARTICLE VII
Maintenance Charges

Section 1. By the Declaration each member is deemed to covenant to pay to the Association: (1) Common Area Assessments or other periodic charges and (2) Special Assessments as approved by the members. The Common Area Assessments and Special Assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall, to the extent permitted by law, be a continuing lien upon the property against which each such assessment is made to secure the payment of said assessments due and to become due. Each such assessment, together with such interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person which was the Owner of such property at the time when the assessments fell due and shall not pass to his successors in title unless expressly assumed by them, which assumption shall not, however, relieve Owner of his personal obligation in event of nonpayment.

Section 2. The assessments paid to the Association shall be used exclusively for the purpose of establishing and maintaining a fund which will be used to promote the recreation, health, safety, and welfare of the residents within The Hampshires in their use and occupancy of the Property and in particular to pay for the expense of maintaining the Common Areas and other facilities related to the use and enjoyment thereof. By way of illustration, but without limitation, the fund may be used for the following: beautifying, maintaining and operating such greenways, playgrounds, parks and recreational areas as the Board of Directors deems appropriate; for doing anything reasonably

necessary or desirable in the opinion of the Board of Directors of the Association to keep the Common Areas neat and in good order and condition; and to provide such other common community services as the members of the Association shall decide are necessary or useful for the benefit, health and welfare of residents of The Hampshires.

Section 3. The monthly assessments shall be determined as provided in the Declaration.

Section 4. In addition to the assessments authorized above, the Association may levy at any time a special assessment as provided in the Declaration.

Section 5. The establishment of monthly and special assessments, the date of commencement of annual assessments, and other matters relating to assessments are set forth in the Declaration and are incorporated herein by reference.

ARTICLE VIII
Board of Directors

Section 1. The business and affairs of this Association shall be managed by a Board of Directors. At the inception of the Association, the Board shall consist of the three (3) members named in the Articles of Incorporation, and after the first annual meeting the number of directors shall be five (5).

The size of the Board of Directors may be increased or decreased from time to time upon the affirmative vote of three-fourths (3/4) of all Lot Owners. Each director shall hold office for the term for which he was elected, or until his death, resignation, retirement, removal, disqualification or until his successor is elected and qualified. Each such director shall serve for a one-year term. Nothing herein contained shall be construed to prevent the election of a director to succeed himself.

Section 2. The first Board of Directors named in the Articles of Incorporation the corporation shall serve from the date of the Declaration until their successors are duly elected and have qualified. Only thereafter, directors shall be elected by ballot at the annual meeting of the members. Each director shall hold office until his death, resignation, removal, disqualification, or his successor is elected or appointed and qualified. Any vacancy may be filled at any time by a majority of the remaining directors, though less than a quorum, but a vacancy created by 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 3. The directors shall act only as a board, and the individual directors shall have no power as such. A majority of the directors for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without

notice until a quorum be at hand. The act of a majority of directors present at any time at which there is a quorum shall be the act of the Board of Directors.

Section 4. The Board of Directors may, by resolution adopted by a majority thereof, designate one or more executive committees, each executive committee to include not less than two (2) directors as members thereof, which executive committees to the extent provided in said resolution, may have and may exercise, when the Board of Directors is not in session, the powers of the Board of Directors in the management of the affairs of the Association. The Board of Directors may designate such other committees which it may deem necessary and advisable in the efficient operation of the project. These committees may be appointed by the Board from those Lot Owners who are Lot Owners but not directors, to serve in such capacity as the directors may specify.

Section 5. The Board of Directors shall meet for the transaction of business at such time and place as may be designated from time to time by resolution of the Board. Regular meetings of the Board may be held without notice. Special meetings of the Board of Directors may be called by the President or by any two (2) members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting and objects thereat to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. The Board of Directors may from time to time determine the order of business at its meetings. At all meetings of the Board, the President, or in his absence, the Chairman chosen by the directors present, shall preside.

Section 7. The Board of Directors, after the close of the fiscal year, shall submit to the members of the Association a report as to the condition of the Association and its property and shall submit also an account of the financial transactions of the past year.

Section 8. Subsequent to their election by members, 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 a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 9. No director shall receive compensation for any service he may render to the Association, provided, however, any director may be reimbursed for his actual expenses incurred in the performance of this duties.

Section 10. 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 action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE IX
Powers and Duties of the Board of Directors

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

(a) adopt and publish rules and regulations governing the use of the Common Areas and other facilities provided for the common use and benefit of Association members, and to establish penalties for the misuse thereof;

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration; provided that the Common Area may not be mortgaged or conveyed without the consent of at least two-thirds of the members, excluding the Declarant.

(c) 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;

(d) enter into agreements with third parties in order to facilitate efficient operation of the Common Areas. It shall be the primary purpose of such agreements to provide for the administration, maintenance and repair, and operation of the Common Areas. The terms of said agreements shall be as determined by the Board of Directors to be in the best interest of the Association and the Owners;

(e) employ a manager, an independent contractor, or such other employees as the Board deems necessary, and to prescribe their duties, to carry out and accomplish the purposes of the Association;

(f) open bank accounts on behalf of the Association and designate signatories required therefor.

Section 2. 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 meeting of the members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members of the Association;

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

(c) fix the amount of the annual or special assessments against each Lot as provided in the Declaration and send written notice of each assessment to every Association member at least thirty (30) days in advance of each annual or special assessment due date, subject, however, as to special assessments, the assent of the membership as hereinabove provided;

(d) issue, or cause an appropriate officer to issue, upon demand, by any person, a receipt 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 and such certificates, if issued, shall be conclusive evidence of payment of any assessment therein stated to have been paid;

(e) cause the Common Areas to be maintained; and

(f) obtain insurance for the Property, pursuant to the provisions of the Declaration.

All of these duties may be delegated by the Board of Directors to a bonded professional management company in the sole discretion of the Board of Directors, with the exception of that duty set forth in Subsection (c) above. All management contracts must be terminable without liability upon ninety (90) days written notice by either party.

ARTICLE X
Officers and Their Duties

Section 1. The officers of this Association shall be a President and one or more Vice Presidents, a Secretary, a Treasurer, and such other officers and assistant officers as the Board may from time to time deem necessary. Any two or more offices may be held by the same person, except the offices of President and Secretary and the offices of President and Vice President.

Section 2. The officers of the Association shall be elected or appointed annually by the Board of Directors, and each shall hold office for one (1) year unless he shall sooner die, resign, or be removed, or otherwise disqualified to serve. 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 3. Any officer may be removed from office by the Board with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignations shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. A vacancy in any office may be filled in the manner prescribed for regular election or appointment. The officer elected or appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 5. The duties of the officers are as follows:

President

(a) The President shall be the chief executive officer of the corporation and shall perform such other duties as from time to time may be assigned to him by the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, promissory notes, deeds and other such similar documents; and shall, in general, perform all duties incident to the office of President.

Vice President

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

Secretary

(c) 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 perform such other duties as required by the Board.

Treasurer

(d) 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 accounting of the Association books to be made at the completion of each fiscal year; 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 deliver a copy of each to the members.

ARTICLE XI
Indemnification of Officers and Directors

The Association shall indemnify any and all persons who may serve or whom have served at any time as directors or officers of the Association against any and all expenses, including amounts paid upon judgments, counsel fees and amounts paid in settlement (before or after suit is commenced), actually and necessarily incurred by such persons in connection with the defense or settlement of any claim, action, suit or proceeding in which they, or any of them, are made parties, or a party, which may be asserted against them or any of them, by reason of being or having been directors or officers or a director or officer of the Association, except this indemnification shall not operate with respect to a director or officer or person who has been adjudged in any action, suit, or proceeding guilty of willful and intentional misconduct in the performance of his duties to the Association. Provided, however, that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association. The Association shall likewise indemnify any bonded professional management company for any of the above-mentioned expenses, when such expenses are incurred in the course of duties delegated by the Board of Directors.

The provisions hereof shall be in addition to and not exclusive of any and all other rights to which any director or officer may otherwise be entitled under any law, bylaw, agreement, vote of Association members or otherwise. In the event of death of the officer or director, the provisions hereof shall extend to his legal heirs, representative, successors and assigns. The foregoing rights shall be available whether or not such person or persons were in fact directors or officers at the time of incurring or becoming subject to such expenses, and whether or not the proceeding, claim, suit or action is based on matters which antedate the adoption of this Bylaw.

The invalidity or unenforceability of any provision of this Bylaw shall not affect the validity or enforceability of any other provision hereof.

ARTICLE XII
Corporate Seal

A corporate seal shall have engraved thereon the following:

THE HAMPSHIRES HOMEOWNERS ASSOCIATION, INC.
A Nonprofit Corporation
S E A L

North Carolina

It shall remain in he custody of the Secretary and shall be by him affixed to all documents requiring the corporate seal of complete execution. An impression of the corporate seal is directed to be affixed to these Bylaws.

ARTICLE XIII
Books and Records

The books, records and papers of the Association shall at all times be subject to inspection by any Member during reasonable business hours. The Declaration, the Articles of Incorporation, and the Bylaws of the Association shall be available for inspection by any member of the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV
Fiscal Year

The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XV
Notice

Any notice required to be given by these Bylaws may be waived by the person entitled thereto before or after the time stated therein. Unless otherwise provided, whenever a notice shall be required by these Bylaws, such notice shall be given in writing, and addressed to the person entitled thereto at his address as the same appears on the books of the Association, the time when such notice is mailed being deemed the time of the giving of such notice.

ARTICLE XVI
Amendments

These Bylaws and the Articles of Incorporation may be amended only at a regular or special meeting of the members by a vote of at least two-thirds of the members present in person or by proxy. Provided, however, the provisions of Article IV, Section 1, Article VIII, Sections 1 and 2, and this Article XVI may not be amended without the consent in writing of Declarant so long as Declarant shall be the Owner of one or more Lots. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XVII
Committees

An Architectural Committee, first appointed by the Developer, to undertake the responsibilities set forth in the Declaration concerning the approval of plans, site approval and other matters set forth in the Declaration, shall be appointed in the manner provided in the Declaration. At any meeting of members, other committees may be established for purposes consistent with the Declaration and these Bylaws.

ARTICLE XVIII
Assets: Purpose

No part of the income of the Association shall inure to the benefit of any officer, director or member of the Association; and upon the dissolution of the Association, the assets thereof shall, after all its liabilities and obligations have been discharged or adequate provisions made therefor, be distributed or conveyed to any association or associations organized for purposes similar to that of the Association, or to a government entity for maintenance.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT, I am the duly elected and acting Secretary of The Hampshires Homeowners Association, Inc., a North Carolina Nonprofit Corporation, and

THAT, the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the initial Board of Directors thereof, held on the _____ day of _____, 199__.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association, this _____ day of _____, 199__.

_____
Secretary

(corporate seal)

May 1, 2006

Amendment

Bylaws
Of
The Hampshires Homeowners Association, Inc.

Procedure for Turning Water On/Off:

The water meters are read monthly around the 28th of each month. Bills are sent out around the 3rd, you have 15 days from the date of the invoice to pay the bill before a late fee will be assessed. For any amount not paid by the next billing a late fee of $5.00 will be added to your bill.

By the 3rd billing if no payment has been received a cutoff notice will be sent out stating that you have fourteen days to send in your payment or your water will be turned off.

If water has been turned off, a reconnect fee of $40.00 will apply. Your water will be turned back on Monday through Friday during the hours of 8:00am and 5:00pm and after payment has been received. Statesville Analytical will have your water turned back on within 24 hours of receipt of payment.

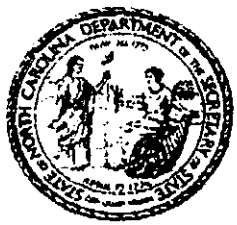
Equipment Damage:

Intentional damage made to the water meter equipment, which consist of water meter, expansion valves, water valves, yoke, meter boxes and any water lines within the system:

The resident will be held responsible for any tampering/cutting of water values or any attached component itself.

Any attempt made by the resident to turn water on after disconnection, the meter will be removed and service will not be granted until payment has been received.

The resident will be held responsible with possible criminal charges and a minimum fee of $200.00 will be assessed.



NORTH CAROLINA
Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION

OF

THE HAMPSHIRES HOMEOWNERS ASSOCIATION, INC.

the original of which was filed in this office on the 17th day of October, 2000.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 17th day of October, 2000

Elaine F. Marshall

Secretary of State

Document Id: 202795174

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Date Filed: 10/17/2000 8:34 AM
Elaine F. Marshall
North Carolina Secretary of State

ARTICLES OF INCORPORATION
OF
THE HAMPSHIRES HOMEOWNERS ASSOCIATION, INC.
A Nonprofit Corporation

The undersigned natural person of the age of eighteen (18) years or more, hereby forms a nonprofit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the North Carolina General Statutes, entitled "Nonprofit Corporation Act," and the several amendments thereto, and to that end does hereby set forth the following:

1. The name of the corporation is THE HAMPSHIRES HOMEOWNERS ASSOCIATION, INC.

2. The period of duration of the corporation shall be perpetual.

3. The purposes for which the corporation is organized is to provide a property owners association for the owners of lots in the subdivision being developed in Iredell County, North Carolina, which subdivision is and shall be commonly known as The Hampshires and thereby to provide for the acquisition, construction, management, maintenance, and care of the corporation's property including property held by the corporation, property commonly held by members of the corporation, property within the subdivision privately held by the members of the corporation, and property owned by a governmental unit and used for the benefit of the members of the corporation and the residents of The Hampshires; to exercise such powers, privileges and perform the duties and obligations of the corporation as may be set forth in that certain "Declaration of Covenants and Restrictions for The Hampshires," hereinafter called the "Declaration," applicable to The Hampshires and recorded or to be recorded in the Office of the Register of Deeds for Iredell County, North Carolina, and as the same may be amended from time to time as therein provided, including the levying and collection of assessments, as provided in the said Declaration; generally, to promote the health, safety and welfare of the residents of The Hampshires and any additions as may hereafter be brought within the jurisdiction of the corporation and to do any and all things and exercise any and all powers, rights and privileges granted by the North Carolina Nonprofit Corporation Act to corporations under that Act as it may from time to time be amended, including making donations for the public welfare or for religious, charitable, scientific or educational purposes.

4. The corporation shall have members. The qualifications and rights of the members of the corporation shall be as set forth in the Declaration and the Bylaws.

5. The affairs of the corporation shall be managed by a Board of Directors consisting of not fewer than three (3) directors. Qualifications of the directors, together with their terms of office, manner of election, removal, change in number, filling of vacancies, and newly created directorships, powers, duties, and liabilities shall, except as otherwise provided in these Articles of Incorporation or by the laws of the State of North Carolina be subscribed in the Declaration and in the Bylaws. The number of directors constituting the initial Board of Directors shall be three (3);

and the names and addresses of the persons who are to serve as initial directors of the corporation, until their successors are elected and qualify, are:

Names	Addresses
Everett F. Jacobus, Jr.	Post Office Box 99 Davidson, North Carolina 28036
Richard J. Kline	Post Office Box 1508 Davidson, North Carolina 28036
Ted Coffey	Post Office Box 99 Davidson, North Carolina 28036

6. The initial registered office of the corporation is 230 South Main Street, Davidson, Mecklenburg County, North Carolina 28036, and the name of the initial registered agent at such address is Richard J. Kline.

7. The principal office of the corporation is 706 Northeast Drive, Davidson, Mecklenburg County, North Carolina 28036 and the mailing address is Post Office Box 99, Davidson, North Carolina 28036.

8. No part of the net earnings of the corporation shall inure (other than by acquiring, constructing, or providing management, maintenance, and care of the corporation's property, and other than by a rebate of excess membership dues, fees or assessments) to the benefit of any member or individual; and upon the dissolution of the corporation, its assets shall after all of its liabilities and obligations have been discharges or adequate provision made therefor, be distributed and dedicated to an appropriate public agency to be used for purposes similar to those for which this corporation was created. In the event that acceptance of such dedication is refused such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes.

9. The name and address of the incorporator is Richard J. Kline, 230 South Main Street, Davidson, North Carolina 28036.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 1st day of August, 2000.

Richard J. Kline, Incorporator