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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
BENNETT WOODS TOWNHOUSES
GRIER GILMORE
REGISTER OF DEEDS
MOORE COUNTY, N.C.

STATE OF NORTH CAROLINA
COUNTY OF MOORE

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter referred to as "Declaration") made this the 19th day of September, 1985, by AMHERST DEVELOPMENT COMPANY, a North Carolina Corporation with its principal office in Southern Pines, Moore County, North Carolina (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property located in the Town of Southern Pines, Sandhills Township, Moore County, North Carolina, which is more particularly described on Exhibit A, attached hereto, and made a part hereof by incorporation.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the title to the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, and their heirs, executors, administrators, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to The Bennett Woods Home-Owners Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the Properties, but excluding any of those persons, firms or corporations having such interest merely as security for the performance of an obligation such as mortgages and trustees on deeds of trust.

Section 3. "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. Declarant shall convey to the Association the Common Area at or prior to the time of the conveyance of the first Lot in a section, which said Common Area shall be conveyed free and clear of the liens of any mortgages or deeds of trust.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties including any amendments or revisions thereto and any additions made pursuant to Section 4 of Article XIII, with the exceptions of the Common Area. It is understood that within the Properties and on each Lot there will be constructed a two or three bedroom single-family attached townhouse. A single-family attached townhouse is defined to mean

\$23,000

O. J. Parks
Seymour, N.C.

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a Lot which contains or is designated so as to contain a single-family dwelling connected on one or more sides by means of a common dividing structural or load-bearing wall with each said dwelling unit to be on its own individual Lot, and with the said Lots and Lot Owners to share common party walls with the said party walls to be deemed to extend to the tops of the roofs, whether physically present or not.

Section 6. "Declarant" shall mean to refer to Amherst Development Company, its successors and assigns pursuant to a duly recorded instrument specifically conveying its interest as Declarant.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' easements of enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, which shall be in common with all other Owners, and which shall be appurtenant to and which shall pass with the title to every Lot, subject to the following provisions:

(a) The rights of the Association to charge reasonable admission and other fees for the use of any recreational facilities situated upon the Common Area;

(b) The right of the Association to suspend the voting rights and the right to the use of the recreational facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty days for any infraction of its published rules and regulations;

(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 members of the Association. No such dedication or transfer shall be effective unless an instrument or instruments signed by the Owners having at least 75% of the total votes determined in accordance with Article III hereof, agreeing to such dedication or transfer has been recorded as a matter of public record.

(d) The right of the Association, with the written assent of Owners having 75% of the total votes as determined in accordance with Article III hereof to borrow money and to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(e) The right of the Association to assess the members for repair, maintenance, improvements, and insurance as hereinafter set out.

Section 2. Delegation of use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or guests, who reside on the property temporarily or permanently.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership as follows:

(a) Class A. Class A members shall be all Owners (with the exception of the Declarant during such time as the Declarant is a Class B member) and shall be entitled to one vote for each Lot owned. When more than one person, firm or corporation holds a fee simple interest of record in a Lot, all such persons, firms or corporations 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 members shall be Declarant and shall be entitled to four votes for each Lot owned. Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) When the total votes outstanding in the Class A membership equal or exceed the total votes outstanding in the Class B membership, or

(2) On December 31, 1987.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the lien and personal obligation of assessments.

The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

(1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest at the highest legal rate, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with the interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for the delinquent assessment shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Properties, and in particular for the acquisition, improvement, and maintenance of the Properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area and of the Lots and townhouses situated upon the Properties, including but not limited to, the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials management and supervision thereof, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance on the townhouses and Common Areas, in accordance with this Declaration and the By-Laws, the employment of attorneys and accountants to represent the Association when necessary, and such other needs as may arise.

Section 3. Maximum annual assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner the maximum annual assessment shall be \$600.00 (\$50.00 per month) per Lot containing a two bedroom townhouse and 120% of that amount for each Lot containing a three bedroom townhouse.

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(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by not more than eight per cent (8%) for any given year above the maximum annual assessment for the previous years by action of the Board of Directors of the Association.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above eight per cent (8%) by the affirmative vote of Owners having 2/3 of the votes of each class of membership of the Association, voting as a class, cast in person or by proxy at a meeting of the members duly called.

Section 4. Special assessments for capital improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessments applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall be approved by the affirmative vote of Owners having two-thirds (2/3) of the votes of each class of membership of the Association, voting as a class, cast in person or by proxy at a meeting of the members duly called.

Section 5. Notice and quorum for any action authorized under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 above shall be sent to all members not less than ten (10) days nor more than fifty (50) days in advance of the meeting. At the first such meeting called, the presence of members or proxies entitled to cast sixty (60%) per cent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform rate of assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots except that assessments for Lots containing three bedroom townhouses shall continue to be 120% of the assessments fixed for Lots containing two bedroom townhouses. Assessments may be collected on a monthly, quarterly, or annual basis according to the decision of the Board of Directors of the said Association.

Section 7. Date of commencement and annual assessments; due dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Areas to the Association, except that annual assessments upon any Lot owned by the Declarant shall commence on the first day of the month following such time as the Declarant places a tenant or prospective Owner in possession of the townhouse on such Lot. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The annual assessment after the first year, shall become due on the first day of January of said year, but will be payable in installments of one-twelfth (1/12) of the annual assessment on the first day of January and on the first day of each succeeding eleven (11) months. The Association shall, upon demand of an Owner, prospective owner, lot mortgagee, or their legal representative and 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. In setting the annual assessment, the Board of Directors shall take into consideration any accumulation of unspent reserves from the preceding year, and shall adjust the annual assessment accordingly, if applicable, and any accumulated and unspent reserves whether for annual or special assessments shall not be deemed to be retained earnings for income tax purposes, and the Association shall be in all respects a non-profit corporation.

Section 8. Effect of nonpayment of assessments; remedies of the Association. Any assessment not paid within thirty (30) days after the due date thereof shall bear interest from the due date at the then highest legal rate until paid. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created herein against the property in the same manner as prescribed by the laws of the State of North Carolina for the foreclosure of deeds of trust, and the interest, costs and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. 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, nor shall damage to or destruction of any improvements on any Lot by fire or other casualty result in any abatement or diminution of the assessments provided for herein.

Section 9. Subordination of the Assessment to first mortgages. The lien for the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust made in good faith for value, provided all assessments have been paid and current at the time of the placement of such first mortgage or deed of trust, provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to the sale or transfer of such property pursuant to a decree of foreclosure of such mortgage or deed of trust or any other proceeding in lieu of foreclosure thereof. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any subsequent assessment.

Section 10. Exempt property. All property dedicated to and accepted by a local public authority, all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina (with the exception of all Lots) and the Common Area shall be exempt from the assessments created herein.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected, or maintained upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three or more representatives appointed by the Board. In the event said Board, or its designated committee fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. This Article shall not be applicable to the Declarant.

ARTICLE VI

PARTY WALLS

Section 1. General rules of law to apply. Each wall which is built as a part of the original construction of the townhouses upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and to the

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extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of repair and maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by fire or other casualty. If a party wall is destroyed or damaged by fire or other casualty, all Owners who have used the wall shall restore it in proportion to their use, and if other Owners thereafter make use of the wall, they shall contribute to the cost of the restoration thereof in proportion to such use, without prejudice, however, to the right of any of such Owners to call for a larger contribution from the same Owners under any rule or rules of law regarding liability or negligence or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner, who may by his negligent or willful act have caused the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right of contribution runs with the land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning the party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE VII

INSURANCE

Insurance coverage of the Properties shall be governed by the following provisions:

(a) Ownership of policies. All insurance policies upon the Properties including the Common Areas and the individual townhouses or Lots affording the coverage set forth in paragraph (b) of this Article shall be purchased by the Association for the benefit of the Association, the Owners and their mortgagees as their interests may appear, and provisions shall be made for the issuance of certificates of mortgagee's endorsements to the mortgagees of Owners. Owners may at their option obtain insurance coverage at their own expense upon their own personal property and for their personal liability and living expense and such additional coverage as they may desire.

(b) Coverage. All buildings and improvements upon the Properties and all personal property included in the Common Area shall be insured in an amount equal to the maximum insurable replacement value as determined annually by the Association with the assistance of the insurance company or companies providing such coverage. Such coverage shall provide protection against:

(1) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and

(2) Such other risks as from time to time shall be customarily covered with respect to building similar in construction, location, and use as the buildings on the Properties.

Said policies shall contain clauses providing for waiver of subrogation against the individual Owners. Public liability insurance shall be secured by the Association in such amounts and with such coverage as shall be deemed necessary by the Association, including, but not limited to, an endorsement to cover the liability of the Owners as a group to a single Owner. There shall also be obtained such other insurance coverage as the Association shall determine from time to time to be desirable and necessary.

(c) Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association and the amounts thereof shall be collected as part of the assessments against the Lots and Owners thereof according to and in compliance with Article IV as heretofore set out.

(d) Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Lot or townhouse Owners and their mortgagees as their interests may appear, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustees under this Declaration. The sole duty of the Association as insurance trustees shall be to receive such proceeds as are paid, and to hold the same in trust for the purposes elsewhere stated herein or stated in the By-Laws and for the benefit of the Lot or townhouse Owners and their mortgagees in the following shares:

(1) Proceeds on account of damage to Common Areas--an undivided share for the Owner of each Lot, such share to be based on the total number of Lots in the Properties subject to the jurisdiction of the Association at the time of such damage.

(2) Proceeds on account of damage to townhouses shall be held in the following undivided shares:

(i) When a building is to be restored--for the Owners of a damaged townhouse in proportion to the cost of repairing the damage suffered by each townhouse Owner, which cost shall be determined by the Board of Directors of the Association.

(ii) When a building is not to be restored--an undivided share for each Owner in the proportion which the fair market value of his townhouse and Lot bears to the total fair market value of all of the townhouses and Lots within the building not restored, as determined by the Board of Directors of the Association as of the time immediately prior to the occurrence of the damage.

(3) In the event a mortgagee's endorsement has been issued with respect to a townhouse, the share of the townhouse Owner shall be held in trust for the mortgagee and the townhouse Owner as their interests may appear.

ARTICLE VIII

DISTRIBUTION OF INSURANCE PROCEEDS

Proceeds of insurance policies received by the Association as insurance trustees shall be distributed to or for the benefit of the beneficial owners in the following manner:

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(a) Expense of the Trust. All expenses of the insurance trustees shall be first paid or provisions made therefor.

(b) Reconstruction or repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof. Any proceeds remaining after defraying such cost shall be distributed to the beneficial owners.

(c) Failure to reconstruct or repair. If it is determined, as provided in this Declaration, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners thereof.

ARTICLE IX

DAMAGE AND DESTRUCTION

Except as hereinafter provided, damage to or destruction of a building or townhouse shall be promptly repaired and restored by the Association using the proceeds of insurance on the building for that purpose and all of the Owners in the Association shall be liable for assessment for any difference between the proceeds of insurance and the cost of repair and restoration, the share of each Owner to be based on the total number of Lots in the Properties subject to the jurisdiction of the Association at the time of such damage. In the event that seventy-five (75%) per cent or more of a building containing townhouses is destroyed or substantially damaged, and if the Owners having seventy-five (75%) per cent or more of the votes of the Association shall vote not to repair and restore such building, then the Association and its Board of Directors shall not be obligated to repair and restore such building.

Any repair or reconstruction shall be made in accordance with the plans and specifications for the original building with such modifications therein as shall be approved by the Board of Directors of the Association.

ARTICLE X

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each single-family attached Lot or Townhouse which is subject to assessment hereunder, as follows: Paint, repair, replace and care for roofs, gutters and downspouts, exterior building surfaces, walks, and other exterior improvements, but not to include maintenance and landscaping of the individual Lots or any glass surface in connection with individual Lots, for which the individual Lot or townhouse Owners shall be responsible. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right to unobstructed access over and upon each Lot or townhouse at all reasonable times to perform maintenance as provided in this Article.

In the event that the need for maintenance, repair, or replacement is caused through the willful or negligent act or omission of the Owner of a Lot, his family, guests, or invitees, and the said maintenance, repair, or replacement is not made within forty-five (45) days thereafter by the said Owner, then the said Association is authorized to make the necessary maintenance, replacement, or repairs, and the cost of such shall become a part of the assessment to which such Lot is subject.

ARTICLE XI

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USE RESTRICTIONS AND OTHER CONDITIONS

Section 1. Land use and building type. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family dwelling not to exceed two stories in height.

Section 2. Nuisance. No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 3. Animals. No animals, livestock, or poultry of any kind shall be kept or maintained on any Lot or in any dwelling, except that dogs, cats, or other domestic household pets may be kept or maintained provided they are not kept or maintained for commercial purposes, that they are not allowed to roam at will and are properly supervised by their owners in accordance with applicable ordinances of the Town of Southern Pines, North Carolina.

Section 4. Outside antennas. No outside radio or television antennas shall be erected on any Lot or dwelling unit within the Properties unless and until permission for the same has been granted by the Board of Directors of the Association.

Section 5. Signs. No signs of any kind shall be displayed to the public view on any Lot without the written approval of the Board of Directors of the Association.

Section 6. Declarant's right of ingress and egress. Declarant reserves the right to rent any or all of said townhouses until they are sold, and the Declarant further reserves unto itself and its agents, employees and duly authorized sales personnel, the rights of ingress and egress over and across said Properties for the purpose of construction, renting and showing the same to the prospective renters and purchasers until all of the said proposed Lots are sold. The Declarant further reserves the right to use at least one townhouse as a model for sales and rental purposes at all times until all of the Lots are sold.

Section 7. Underground Electric Lines. Declarant reserves the right to subject the Properties to a contract with Carolina Power and Light Company for the installation of underground electrical cables and/or the installation of street lighting, either or both of which may require an initial payment and/or a continuing monthly payment to Carolina Power and Light Company by the Owner of each Lot or the Association.

Section 8. Prohibited Vehicles. No mobile homes, travel homes, trailers, campers, motorcycles, or other vehicles of a similar nature shall be permanently parked or located on the Common Areas. Should emergency or extraordinary circumstances arise, upon application, the Association may in writing approve the parking or locating of the aforementioned vehicles on the Common Area.

Section 9. Plat or map. At the time of or prior to the conveyancing of the first townhouse Lot, there shall be recorded in the Office of the Register of Deeds of Moore County, North Carolina, a map or plat showing the Properties, on which the Lots and Common Areas shall be clearly designated.

Section 10. Parking Rights. The Association shall maintain the parking areas immediately adjoining the Lots. These parking areas are for the exclusive use of the owners residing in the immediately adjoining Lot, their families and

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guests. The use of such space by any other owners or persons may be enjoined by the Association or the owners entitled thereto.

ARTICLE XII

EASEMENTS

Easements for installation and maintenance of utilities, drainage facilities, streets, or rights of way, are reserved as shown on plats or maps, and any amendments or revision thereto, or granted by instruments which are recorded or which are to be recorded in the Moore County Registry. Within these easements, no structure, plantings or other materials shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, streets or rights of way, or which may change the direction of the flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

Every portion of a single-family attached Lot or townhouse contributing to the support of any abutting townhouse or townhouses shall be burdened with an easement for support for the benefit of such abutting townhouse or townhouses. Further, all attachments to the exterior walls of a townhouse which are a part thereof, but which protrude beyond the boundaries of any Lot, and which were constructed in conformity with the plans and specifications, shall be deemed to be included within said boundaries, and there is hereby reserved an easement to permit the construction of and continued existence of any such protruding attachment.

There is hereby reserved over each Lot and over the Common Area an easement to permit the construction or reconstruction and continued existence (and access for maintenance) of any protrusion into such Lot or Common Area of a portion of the townhouse or related improvements located on an adjoining Lot and constructed in accordance with the plans and specifications for construction of the townhouses within the Properties.

There is hereby reserved over each Lot and the Common Area an easement for the existence and maintenance of utility pipes or lines for the purpose of providing utility service to a Lot or other Lots.

Every Owner and his guests, family members, invitees, employees, or agents, shall have an easement of egress and ingress over and across all streets or roadways constructed or to be constructed within the Common Area.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendments. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this

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Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, with the exception of those conditions and reservations set out in Article XI, Section 6. This Declaration may be amended during the first twenty (20) year period by an instrument signed by the Owners having at least ninety (90%) per cent of the total votes in the Association, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements, as herein provided, or affect the lien of any deed of trust. Any amendment must be properly recorded in the Office of the Register of Deeds in Carthage, North Carolina.

Section 4. Annexation.

(a) Additional residential property and Common Area may be annexed to the Properties with the consent of the Owners having two-thirds (2/3) of the votes of each class of membership of the Association, voting as a class.

(b) Additions herein authorized shall be made by filing of record one or more supplementary Declarations in respect to the properties to be then subject to this Declaration and which shall extend the jurisdiction of the Association to such property and thereby subject the Lots within such addition to assessment for their just share of the Association's expenses. Each supplementary Declaration may contain such complementary additions and modifications of the Covenants, Conditions and Restrictions contained herein as may be necessary to accommodate the added properties; provided, however, any such supplemental Declaration or such other Declaration shall not revoke or otherwise amend the provisions of this Declaration as this Declaration pertains to the Properties subjected hereto unless duly authorized by action required for amendments to this Declaration.

Section 5. Gender. Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural shall be substituted for the singular number, in any place herein in which the context requires.

Section 6. Captions. The captions are inserted only as a matter of convenience and for reference and in no way differ, limit or describe the scope of this Declaration nor the intent of any provision hereof.

IN WITNESS WHEREOF, Amherst Development Company, being the Declarant herein, has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

AMHERST DEVELOPMENT COMPANY

(Corporate Seal)

By [Signature]
President

Attest:

[Signature]
Secretary

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STATE OF NORTH CAROLINA
COUNTY OF MOORE

This 19th day of September, 1985, personally came before me, Robert R. Stafford who, being by me duly sworn, says that he is the President of Amherst Development Company and that the seal affixed to the foregoing instrument in writing is the corporate seal of the Company, and that said writing was signed and sealed by him, in behalf of said Corporation, by its authority duly given. And the said Robert R. Stafford acknowledged the said writing to be the act and deed of said Corporation.

Ellen R. Hazlett
Notary Public

My commission expires: 5-21-89

NORTH CAROLINA - MOORE COUNTY
The foregoing (or annexed) certificate of:

Ellen R. Hazlett - Notary Public
Moore

STATE OF N.C. is certified to be

correct. Issued October 16, 1985

GRIFF GILMORE

Register of Deeds

Mary R. Huijzer Assistant

EXHIBIT A

PROPERTY DESCRIPTION

BENNETT WOODS TOWNHOUSES BOOK 537 PAGE 595

BEGINNING at an established concrete monument, control corner, in the southerly right-of-way line of North Bennett Street, corner with Austin; running thence, from said beginning point, with the southerly right-of-way line of North Bennett Street, South 53 deg. 24.8 mins. West 153.81 feet to an existing iron pipe, corner with Williams; thence South 36 deg. 31.1 mins. East 99.89 feet to an existing iron pipe, another Williams' corner; thence South 53 deg. 19.3 mins. West 100.14 feet to an existing iron pipe in the easterly right-of-way line of West New Jersey Avenue; thence, with the easterly right-of-way line of West New Jersey Avenue, South 36 deg. 34.4 mins. East 101.28 feet to an existing iron pipe; thence North 53 deg. 15 mins. East 253.72 feet; thence North 36 deg. 28.8 mins. West 200.58 feet to the BEGINNING, containing .94 acre, more or less, as shown on map entitled "Plan of Bennett Woods Townhouses" prepared by Charles D. Ward, R. L. S.