

STATE OF NORTH CAROLINA
COUNTY OF CUMBERLAND

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made the 1st day of August, 1974 by AMERICAN CLASSIC INDUSTRIES, INC., a North Carolina corporation, hereinafter referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, Declarant is the owner of certain property near the City of Fayetteville, in Seventy-First Township, County of Cumberland, State of North Carolina, which is more particularly described as:

SEE EXHIBIT A

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

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Gardens of Loch Lomond Homeowners 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, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as 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. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

All of that area shown as "Common Area" on that certain map of Gardens of Loch Lomond, Section One, which is recorded in Map Book 41 at Page 59 in the Office of the Register of Deeds of Cumberland County, North Carolina.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

(a) "Attached Dwelling Lot" shall mean and refer to any lot numbered other than 494 through 549 shown upon any recorded subdivision map of the Properties.

(b) "Detached Dwelling Lot" shall mean and refer to any lot numbered 494 through 549 shown upon the recorded subdivision map of the Properties.

Section 6. "Declarant" shall mean and refer to American Classic Industries, Inc., its successors and assigns, if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

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 appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

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

(b) the right of the Association to suspend the voting rights and right to 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 60 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. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded.

(d) the right of individual Owners of Attached Dwelling Lots to the exclusive use of parking spaces as provided in this article.

(e) the right of the Association to limit the number of guests of members.

(f) the right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area.

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 contract purchasers who reside on the property.

Section 3. Parking Rights. Ownership of each Attached Dwelling Lot shall entitle the Owner or Owners thereof to the use of not more than one (1) automobile parking space, which shall be as near and convenient to said Attached Dwelling Lot as reasonably possible, together with the right of ingress and egress in and upon said parking area. The Association shall permanently assign one (1) vehicle parking space for each Attached Lot Dwelling.

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:

Class A. Class A members shall be all Owners with the exception of the Declarant 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.

Class B. The Class B member(s) shall be the Declarant 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 earlier:

- (a) when the total votes outstanding in Class A membership equals the total votes outstanding in the Class B membership, or
- (b) on June 1, 1980.

ARTICLE IV

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessment. 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, 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 assessment is made. Each such assessment, together with 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 delinquent assessments 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 in the Properties. The Association shall provide for and assessments shall be used to pay for the improvements and maintenance of the Common Area and of the homes situated upon the Properties, for taxes and assessments for facilities on, and for public and private capital improvements made to or for the benefit of the Common Area, and for maintenance of adequate liability insurance on the Common Area.

Section 2a. Lien of Common Area Taxes and Assessments. Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes levied against the Common Area or assessments for public improvements to the Common Area, which default shall continue for a period of six months, each Owner shall become personally obligated to pay to the taxing assessing governmental authority a portion of such taxes or assessments in an amount determined by dividing the total taxes and/or assessments due by the total number of residential sites in the Properties. If such sum is not paid by the Owner within thirty days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law against the Owner personally obligated to pay the same or may elect to foreclose the lien against the property of the Owner.

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 One Hundred Eighty Dollars (\$180.00) for a Detached Dwelling and Three Hundred Dollars (\$300.00) for an Attached Dwelling Lot.

(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 each year not more than 5% above the maximum assessment for the previous year without a vote of the membership.

(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 5% 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.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment 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 have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

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 and 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty per cent (60%) 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 and the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 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 and may be collected on a monthly basis; provided that following the completion of the development of the first section of Gardens of Loch Lomond, Section One, (as more particularly described by metes and bounds in the preamble of this Declaration), and as to any additional properties annexed under Article X of this Declaration, the amount of the annual assessment for Lots owned by Class "B" members shall be not less than twenty-five per cent (25%) of the amount of the annual assessments on Lots owned by Class "A" members.

Section 7. Date of Commencement of 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 Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors and the Board of Directors shall have the authority to require the assessments to be paid in pro-rata monthly installments. The Association shall, upon demand, 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.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of six per cent (6%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assess-

ments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

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, height, 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 (3) 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.

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 homes upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of 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, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission. In any event, a party wall which is damaged or destroyed shall be restored under the supervision and direction of the Association, if the Owners thereof have not restored it within ninety (90) days after damage or destruction, and the Association will enforce the payment therefor as provided in this Article.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes 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 to Contribution Runs With 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 a 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

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance for each Attached Dwelling Lot which is subject to assessment hereunder, as follows: paint, repair, replace and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, and other exterior improvements. Such exterior maintenance shall not include glass surfaces.

In the event that the need for maintenance, repair, or replacement is caused through the willful, or negligent act of the Owner, his family, guests, or invitees, or is caused by fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircrafts, vehicles, and smoke, as the foregoing are defined and explained in North Carolina Standard Fire and Extended Coverage insurance policies, the cost of such maintenance, replacement, or repairs, shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE VIII

USE RESTRICTIONS

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 attached townhouse dwelling or one single family detached dwelling not to exceed two and one-half stories in

height. Any building erected, altered, placed or permitted to remain on any lot shall be subject to the provisions of Article V of this Declaration of Covenants, Conditions and Restrictions relating to architectural control.

Section 2. Building Location. On any Detached Dwelling Lot, no building shall be located nearer than twenty-five (25) feet to the front lot line or nearer than twenty (20) feet to any side street line (where a corner lot is involved, "front lot line" shall be deemed to be that line toward which the main structure fronts), and no building shall be located nearer than seven (7) feet to an interior lot line and total side yards must be at least fifteen (15) feet. Eaves, steps and open porches shall not be considered as part of a building; provided, however, that this shall not be construed to permit any portion of a structure on a lot to encroach upon another lot.

Section 3. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 4. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently.

Section 5. Recreational Vehicles. No boat, motor boat, camper, trailer, motor, or mobile home, or similar type vehicle, shall be permitted to remain on any Lot at any time, unless by consent of the Association in which event such vehicles shall be placed in the area or areas designated by the Association.

Section 6. 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 household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes.

Section 7. 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 or its architectural control committee.

Section 8. Exterior Lights and Draperies. In order to preserve a harmonious presentation of the exterior of the units, only clear white non-frost or smoked exterior lights may be utilized and all draperies covering windows which are visible

from the exterior of the units shall be lined with white or some other neutral color.

ARTICLE IX

EASEMENTS

Section 1. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage, or which may obstruct or retard the flow of water.

Section 2. The Association, acting through its officers, agents servants, and/or employees shall have the right of unobstructed access at all reasonable times to all properties as may be reasonably necessary to perform the exterior maintenance called for in Article VII of this declaration.

Section 3. Easements are also reserved over those portions of the Common Area that may be necessary or required to accommodate overhanging eaves or other cantilevered construction which may encroach upon the Common Area on the air and light space above such Common Area.

ARTICLE X

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation of additional property shall require the assent of two-thirds (2/3) of the Class A members and two-thirds (2/3) of the Class B members, if any, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. The presence of members or proxies entitled to cast sixty per cent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth above and the required quorum at each subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting. In the event that two-thirds (2/3) of the Class A membership or two-thirds (2/3) of the Class B membership are not present in person or by proxy, members not present may give their written assent to the action taken thereat.

Section 2. If within eight years of the date of incorporation of this Association, the Declarant shall decide to develop the following described lands such additional lands may be annexed to said properties without the assent of the Class A members:

SEE EXHIBIT B

Provided however, the development of the additional lands described in this section shall be in accordance with a general plan submitted to the Federal Housing Administration and the Veterans Administration with the processing papers for the first section. Detailed plans for the development of additional lands must be submitted to the Federal Housing Administration and the Veterans Administration prior to such development. If either the Federal Housing Administration or the Veterans Administration determines that such detailed plans are not in accordance with the general plan on file and either agency so advises the Association and the Declarant, the development of the additional lands must have the assent of two-thirds (2/3) of the Class A members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. At this meeting, the presence of members or of proxies entitled to cast sixty per cent (60%) of all of the votes of the Class A membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

ARTICLE XI

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. Invalidation 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. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first twenty (20) year period by any instrument signed by not less than ninety (90%) per cent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) per cent of the Lot Owners, provided that no amendment shall alter any obligation to pay ad valorem taxes or assessments for public improvements, as herein provided, or affect any lien for the payment thereof established herein. Any amendment must be properly recorded.

Section 4. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, American Classic Industries, Inc., the Declarant herein, has caused this Declaration to be signed in its corporate name by its President and attested by its Secretary and sealed with its corporate seal, all on the day and year first above written.

AMERICAN CLASSIC INDUSTRIES, INC.

By J. H. H. H.
President

ATTEST:

R. M. Chadwick Jr.
Secretary

(CORPORATE SEAL)

Approved by the Cumberland County Joint Planning Board
on the 2ND day of AUGUST 19 74
Signed [Signature] Chairman

EXHIBIT A

BEGINNING at the intersection of the northern right-of-way margin of the Cape Fear Railroad and the eastern right-of-way margin of N.C.S.R. 1403 (Blackjack Road) and running thence with the eastern right-of-way margin of N.C.S.R. 1403 North 13 degrees 23 minutes East 21.53 feet to a point, the Southwest corner of the Montclair Water Company lot; thence with the southern line of said lot South 85 degrees 18 minutes East 89.62 feet to the Southeast corner of said lot; thence with the eastern line of said lot North 04 degrees 42 minutes East 23.62 feet to the Northeast corner of said lot; thence with the northern line of said lot North 85 degrees 18 minutes West 86.02 feet to the Northwest corner of said lot; thence with the eastern right-of-way margin of N.C.S.R. 1403 North 13 degrees 23 minutes East 320.22 feet to a point of curvature; thence with a curve to the left in an easterly direction on a radius of 25.00 feet, an arc distance of 39.27 feet to a point of tangency; thence South 76 degrees 37 minutes East 50.47 feet to a point of curvature; thence with a curve to the right on a radius of 599.59 feet an arc distance of 74.72 feet to a point of tangency; thence North 13 degrees 23 minutes East 459.38 feet to a point, the Southeast corner of Lot 18, Loch Lomond, Section 2, Part 1, as recorded in Plat Book 28, page 3, Cumberland County Registry; thence with the southernmost lines of Lots 18 through 23 of Loch Lomond, Section 2, Part 1, recorded as aforesaid as follows: North 88 degrees 39 minutes East 201.13 feet; North 76 degrees 51 minutes East 30.00 feet; North 88 degrees 39 minutes East 572.00 feet to a stake, the Southeast corner of Lot 23, recorded as aforesaid, and the Southwest corner Lot 481 of Loch Lomond, Section 5, Part 1, as recorded in Plat Book 36, page 18, Cumberland County Registry; thence with the southern line of Lots 481 through 493 recorded as aforesaid, as follows: South 38 degrees 46 minutes East 154.82 feet; South 39 degrees 41 minutes East 538.15 feet; South 21 degrees 09 minutes East 56.7 feet; South 01 degrees 04 minutes East 203.37 feet; North 88 degrees 56 minutes East 45.00 feet to a point, the northwestern corner of Lot 493, recorded as aforesaid; thence with the western line of Lot 493 South 01 degrees 04 minutes East 140.00 feet to a stake in the northern right-of-way margin of Ryan Street; thence crossing Ryan Street, South 23 degrees 10 minutes West 65.80 feet to a stake, the northwestern corner of Lot 412, Loch Lomond, Section 5, Part 1, recorded as aforesaid; thence with the western line of Lot 412, South 01 degrees 04 minutes East 150.00 feet to a stake in Beck's northern line; thence with Beck's northern line South 88 degrees 56 minutes West 160.65 feet to a stake at the angle point in Beck's line; thence North 89 degrees 26 minutes West 79.55 feet; thence North 63 degrees 26 minutes West 111.80 feet; thence North 59 degrees 27 minutes West 197.78 feet; thence North 38 degrees 58 minutes West 337.43 feet; thence South 56 degrees 44 minutes West 246.74 feet; thence North 33 degrees 16 minutes West 148.00 feet; thence South 56 degrees 44 minutes West 389.04 feet to a stake in the northern right-of-way margin of the Cape Fear Railroad; thence with said right-of-way margin as it curves to the left in a westerly direction on a radius of 622.96 feet an arc distance of 344.17 feet to the point of BEGINNING; containing 27.36 acres, more or less.

NORTH CAROLINA

CUMBERLAND COUNTY

I, Patricia C. Mieczkowski, a Notary Public of the State and County aforesaid, certify that R. Hunter Chadwick, Jr. personally came before me this day and acknowledged that he is Assistant Secretary of American Classic Industries, Inc., a North Carolina corporation with its principal office in Fayetteville, North Carolina, and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by him as its Assistant Secretary.

WITNESS my hand and Notarial Seal, this the 1st day of August, 1974.

Patricia C. Mieczkowski
Notary Public

My Commission Expires: _____

NORTH CAROLINA, CUMBERLAND COUNTY

The foregoing or annexed certificate of

Patricia C. Mieczkowski

Notary Public/Notaries Public is/are certified to be correct.

This instrument was presented for registration and recorded in this Office at Book 2452, Page 519.This 2 day of August, 1974 at 3:35 O'clock P M.

Marion Clark
Register of Deeds

By Cherry B. Horn
Deputy Register of Deeds

EXHIBIT B

In Seventy-First Township, County of Cumberland, State of North Carolina

BEGINNING at the intersection of Z.D. Jackson's western line and the northern right-of-way margin of the Cape Fear Railroad and running;

thence with said right-of-way the following courses and distances;

North 59 degrees 21 minutes West, 135.90 feet to a point;
 North 53 degrees 27 minutes West, 92.72 feet to a point;
 North 51 degrees 42 minutes West, 93.55 feet to a point;
 North 39 degrees 19 minutes West, 97.00 feet to a point;
 North 35 degrees 48 minutes West, 94.20 feet to a point;
 North 25 degrees 56 minutes West, 91.29 feet to a point;
 North 15 degrees 55 minutes West, 93.63 feet to a point;
 North 11 degrees 21 minutes West, 202.00 feet to a point;

thence with a curve to the left on a radius of 622.96 feet an arc distance of 303.80 feet to a point;

thence with the following courses and distances;

North 56 degrees 44 minutes East, 329.04 feet to a point;
 South 33 degrees 16 minutes East, 148.00 feet to a point;
 North 56 degrees 44 minutes East, 306.74 feet to a point;
 South 38 degrees 58 minutes East, 347.43 feet to a point;
 South 59 degrees 27 minutes East, 197.73 feet to a point;
 South 63 degrees 26 minutes East, 111.30 feet to a point;

thence South 89 degrees 26 minutes East, 79.55 feet to a stake, said stake being Beck's northernmost corner;

thence with Beck's western line, South 35 degrees 07 minutes West, 194.63 feet to the northernmost corner of Z.D. Jackson's Estate;

thence with the western line of Z.D. Jackson's Estate, South 35 degrees 07 minutes West, 787.04 feet to the point of beginning;

Containing 17.85 acres more or less.