

STATE OF NORTH CAROLINA

DECLARATION OF
CYPRESS CREEK TOWNHOMES

COUNTY OF MOORE

THIS DECLARATION, made this _____ of _____, 2009, by MID-STATE DEVELOPMENT, LLC, hereinafter called "Declarant" (whether one or more persons, firms or corporations). The designation Declarant as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.)

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Moore County, North Carolina, which is more particularly described as follows:

BEING all of _____, as the same is shown on a plat thereof recorded in Plat Book _____ at Page _____ in the office of the Register of Deeds of Moore County, and being those lands described in Deed in Book 172 beginning at Page 175 in said Registry ("the Townhome Property" or "Townhome Development").

NOW, THEREFORE, Declarant hereby submits said property to TOWNHOMES ownership pursuant to Chapter 47F of the General Statutes of North Carolina as amended, known as the "Planned Unit Development Act" (herein the "Act"), and to that end does hereby publish and declare that all of the said property to be known as "CYPRESS CREEK TOWNHOMES" which shall be held, sold, and conveyed subject to the terms and provisions of the Act, the terms and provisions of which shall apply hereto and control, except as herein modified by the following easements, restrictions, covenants, conditions, uses and obligations 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

Unless it is plainly evident from the context that a different meaning is intended, the following words and terms shall have the following meanings:

A. Act. The North Carolina Planned Unit Development Act, Chapter 47F of the North Carolina General Statutes.

B. Additional Properties. Shall mean and refer to any lands adjoining the Properties or within a one-mile radius thereof, which now are owned or may be hereafter acquired or developed by the Declarant and annexed to and made a part of the properties by the Declarant and subjected to this declaration. The annexation of such additional properties shall become effective by the recording in MOORE County by the Declarant of an amended declaration for each new section annexed.

C. Allocated Interests. The undivided interests in the Common Elements, the Common Expense liability, and in the Association allocated to each Unit.

D. Assessment. A share of the funds required for the payment of Common Expenses that from time to time is assessed against the Unit Owner by the Association.

E. Association. The non-profit incorporated Association known as Cypress Creek Owners Association, the entity responsible for the operation of the Townhome Development pursuant to the Act, which entity includes all of the Unit Owners acting as a group in accordance with this Declaration.

F. Board of Managers or Board. Shall mean the Officers of the Association, as defined herein.

G. Building. All structures and improvements now or hereafter erected upon the property.

H. Common Elements or Common Areas. Shall specifically include all the roads and streets, and any and all areas so designated on the plat(s) of the development, if any.

I. Common Expenses. Expenditures made by or financial liabilities of the Association, together with any allocations to reserves.

J. Common Expense Liability. The liability for Common Expenses allocated to each Unit pursuant to the Act, this Declaration, and the By-Laws, if applicable.

K. Townhome. The real estate parcels that are designated as such for separate ownership and the Limited Common Area associated with each Townhouse.

L. Townhome Documents. This Declaration and the Rules and Regulations, if any, and all other Exhibits attached hereto and all other documents and regulations

promulgated pursuant to the authority created herein and in the Act, and as such documents shall be amended from time to time.

M. Declarant. Mid-State Development, LLC, its grantees, successors and assigns.

N. Declaration. This Instrument as it may be from time to time amended or supplemented.

O. Development Rights. Among those rights hereby reserved by the Declarant are to add additional phases to the development, to make additions to or to change the configuration of the Townhome Units and to change or revise the Common Elements or Limited Common Expenses within the townhome development.

P. Limited Common Elements or Limited Common Areas. These terms shall be used interchangeably to mean and refer to those portions of the Common Elements that are allocated as such for the exclusive use of a particular Unit, as more specifically defined herein, if any.

Q. Property or Townhome Property. The real estate described in Exhibit "A", attached hereto and incorporated herein by reference, together with the Buildings and improvements located thereon, and such additional properties as may be subsequently subjected to this Declaration by Supplemental Declaration in the manner herein provided.

R. Supplemental Declaration. A document filed by Declarant to change the configuration of the Townhome Units and to change or revise the Common Elements or Limited Common Elements within the Townhome Development in the manner provided herein, or to add additional properties as may be subsequently subjected to this Declaration by Supplemental Declaration.

S. Unit or Townhome Unit. A part of the Property that is to be subject to private ownership, as designated on the exhibits attached to this Declaration and as further defined in the Act.

T. Unit Owner or Owner. A person or entity, or any combination thereof, that owns a Unit.

U. Plats or Plans: the plats and plans required to be filed with the MOORE County Register of Deeds, including those plats or plans for the Townhomes entitled "CYPRESS CREEK TOWNHOMES" being duly recorded in Plat Book _____ beginning at page _____ of the MOORE County Registry, as the same may amended from time to time.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

A. Declarant submits only that portion of the land described in Exhibit "A" attached hereto upon which Phase 1 of Cypress Creek Subdivision is to be constructed. Nevertheless, Declarant hereby reserves the right and option, but not the obligation, to expand the property subject to this Declaration by adding all or any portion or portions of the land described in Exhibit "A-1" to the coverage of this Declaration. The Developer also retains the right to add contiguous, or nearly contiguous, tracts to the project at its sole discretion, in which case the maximum number of units would be increased.

Any extension shall occur, if at all, by the recordation of one or more amendments to this Declaration and one or more supplementary plats as required by law. Each amendment to the Declaration shall be called a "Supplemental Declaration" or "Amended Declaration" and shall be executed by the Declarant or its successors and assigns. The recordation of any such supplemental declaration and expansion of the property subject to this Declaration effectuated thereby, shall not require consent or ratification of any unit owner.

The real property that is, and shall be submitted to this Declaration is that real estate described in Exhibit "A", attached hereto and incorporated herein by reference, being that real property shown on that plat recorded in Plat Book _____, at Page _____ of the MOORE County Registry.

B. Additional Properties may be annexed to and made a part of the properties by the Declarant and subjected to this declaration in multi additions. The annexation of such additional properties shall become effective by the recording in MOORE County by the Declarant of an amended declaration for each new section annexed.

C. The Common Areas, Common Elements, and facilities, if any, are shown upon the Plats and Plans recorded in Plat Book _____ Page _____ of the MOORE County Registry. All private roads and streets are Common Area.

D. The Limited Common Expenses and facilities, if any, are also shown on the Plats and Plans of the Property recorded in Plat Book _____, Page _____ of the MOORE County Registry.

E. Each Unit shall be conveyed and treated as an individual Property capable of independent use and fee simple ownership, and the Unit Owners of each Unit shall also own, as an appurtenance to the ownership of each said Unit conveyed, a equal prorata undivided interest in the Common Areas.

F. Limited Common Elements and facilities may be shown on the aforesaid-recorded plat of the Property as recorded in the MOORE County Registry. Each Unit Owner will have the exclusive right to use of the Limited Common Elements designated for use by each Unit.

ARTICLE III

USE RESTRICTIONS

The use of the Property shall be in accordance with the following provisions:

A. Each of the Units shall be occupied only for residential purposes, including vacation rentals. No Unit may be divided or subdivided into a smaller Units nor any portion thereof sold or otherwise transferred without the consent of all Unit Owners and compliance with the Act.

B. No Unit owner or resident, including tenants, guests and invitees, may keep or store a golf cart on the premises, Common Area or Limited Common Area.

C. No Unit owner or resident, including tenants, guests and invitees, may use any golf course adjacent to the development except in full compliance with the applicable membership requirements, fees, rules and regulation for that golf course.

D. The Common Elements, Common Areas, Limited Common Areas and facilities shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Unit.

E. No use or practice shall be permitted in the Townhome Development that reasonably could be considered the source of annoyance to residents or interfering with the peaceful possession and proper use of the Property by its residents. All parts of the Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor any fire hazard allowed to exist. No Owner shall permit any use of his/her Unit or of the Common Elements that will increase the rate of insurance upon the Townhome Development Property or any part thereof. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Rental of less than the whole unit is prohibited.

F. No use or practice shall be permitted in the Townhome Development that reasonably could be considered the source of annoyance to players on any golf course adjacent to the development.

G. Reasonable regulations concerning the use of the Townhome Development Property may be made and amended from time to time by the Unit Owners' Association of CYPRESS CREEK (herein referred to as the "ASSOCIATION").

H. Each Unit Owner shall maintain, repair and replace, at is or her own expense, all portions of his or her Unit and associated Limited Common Area, except as may be otherwise provided in this Declaration.

I. No Unit Owner shall alter any Common Elements without the prior written consent of all members of the ASSOCIATION. Except as allowed herein, no Unit Owner shall fix any object to the Common elements or in any manner change the appearance of the Common Elements without first obtaining the written consent of the ASSOCIATION.

J. Converting any Unit to timeshare unit ownerships, per Chapter 93A of the North Carolina General Statutes or any successor statute, or other forms of fractional ownership, is expressly prohibited within the Townhome Development.

K. No animals, livestock or poultry of any kind shall be raised, bred, kept or maintained on any Unit or in any dwelling except certain domestic household pets, such as may be otherwise provided by rules and regulations approved all members of the ASSOCIATION. The rules and regulations may regulate, permit or prohibit the kind and number of domestic household pets. Domestic household pets may not be raised, bred, kept or maintained for any commercial purposes. All household pets shall be kept on a leash at all times when outside the Unit, unless in a fenced in area, and animal waste must be immediately removed. Such pets may not be permitted to run at large at any time. Owners of pets on the Property shall control excessive barking or other disturbances caused by the pets.

L. Unit Owners shall not park or store any camper, trailer, boat trailer, trailer vehicle, or similar vehicle anywhere on the Property. No trucks shall be permitted except for standard 2-ton pickup trucks, or smaller sized trucks. All tools or other materials stored in vehicles for overnight parking shall be kept out of sight. No striped, wrecked or partially wrecked, or junk motor vehicle or part thereof, or any motor vehicle not displaying a current valid inspection sticker shall be permitted to be parked or kept on the Property

M. No burning of wood, leaves, trash, garbage or household refuse or burning as a means of clearing brush shall be permitted on the Property.

N. Garbage and trash shall be disposed by Unit Owners in accordance with rules and regulations approved by all members of the Association.

O. No laundry or wash shall be dried or hung outside any Unit, unless within fenced in areas.

P. There shall be no obstruction of the Common Elements that prohibits maintenance of any utilities located therein.

Q. In the event that the need for maintenance, repair, or replacement of all or any portion of the Common Elements is caused through or by the negligent or willful act or omission of a Unit Owner, or by any member of a Unit Owner's family, guests, invitees, licensees, agents, occupants, users, or tenants, then the expenses incurred by the ASSOCIATION for such maintenance, repair, or replacement shall be a personal obligation of such Unit Owner. If the Unit Owner fails to repay the expenses incurred by the ASSOCIATION within 30 days after notice to the Unit Owner of the amount owed, then the failure to so repay shall be a default by the Unit Owner under the provisions of this Section, and such expenses shall automatically become a Default Assessment enforceable in accordance with Article IX herein.

R. There shall be no parking of any vehicle, trailer, or similar, in the streets, rights-of-way or easement areas. All parking shall be limited to garages and driveways. No vehicle, trailer, or similar, may be parked so as to block any sidewalk, if any.

S. The Developer, and after the period of Developer control, the Association, shall have exclusive control over any yard decorations in any front or side yards. No such decorations shall be allowed without the approval of the Developer, and after the period of Developer control, the Association.

ARTICLE IV EASEMENTS

A. All Common Elements are hereby subjected to an easement for the repair, maintenance, expansion, reduction, inspection, removal, relocation or other service of or to all gas, electricity, television, telephone, water, plumbing, sewer, utility, drainage or other lines or other Common Elements, whether or not the cause of any or all to those activities originates in the Unit in which the work must be performed.

C. Easements are hereby declared and granted, and the Board may hereafter declare, grant or assume easements for utility purposes for the benefit of the Property, including the right to install, lay, maintain, repair and replace water lines, pipes, sewer lines, gas mains, telephone and television wires and equipment and electrical conduits, and wires over, under, along and on any portion of the Common Area.

D. All easements and rights described herein are easements appurtenant, and shall run with the land by whomsoever owned, and shall inure to the benefit of and be binding on the undersigned, their successors and assigns, and any owner, purchaser, mortgagee and other person having an interest in said land, or any part or portion thereof, regardless of whether or not reference to said easement is made in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration.

E. The Declarant reserves the right to subject the real property in this subdivision to a contract with Progress Energy, or similar Utility provider, for the installation of street lighting, which contract requires a continuing monthly payment to Progress Energy, or similar Utility provider, by each residential customer.

F. An easement is hereby granted to all police, fire protection, ambulance and similar persons, companies or agencies performing emergency services, to enter upon the Units and Common Areas, and Limited Common Areas in the performance of their duties.

ARTICLE V

ENFORCEMENT

A. 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.

B. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any of the other provisions that shall remain in full force and effect.

ARTICLE VI NOTICE

The name and address of the initial process agent to receive service of process in any matters affecting the Property is as follows:

William Warren Dabbs
P. O. Box 2032
Wilmington, New Hanover County, NC 28402

The process agent may be changed by recording in the Moore County Registry a memorandum of change signed the then acting process agent.

ARTICLE VII TAXES

Each individual Unit and its undivided interest in the Common Elements and facilities shall be deemed to be a separate parcel and shall be separately assessed and taxed for all types of taxes authorized by law, including but not limited to special ad valorem levies and special assessments. Each Unit Owner shall be liable solely for the amount of taxes against his individual Unit and Undivided Interest in the Common Elements and facilities and shall not be affected by the consequence resulting from the tax delinquency of any other Unit Owner. Neither the Townhomes Property, nor any of the Common Elements and facilities may be deemed to be a separate parcel for the purpose of taxation.

ARTICLE VIII INSURANCE

Each Unit Owner shall purchase, maintain in force and administer insurance coverage for their Unit and associated interests. As each Unit is a detached, freestanding unit, there is no requirement for Master Insurance policies for hazard, wind and hail and flood coverage.

There shall also be obtained in the Association name master policies of insurance coverage for the Common Areas as the Association shall from time to time determine to be desirable and necessary or as may be required by the Federal Housing Administration, Veterans Administration or Federal National Mortgage Association.

All contracts of property insurance purchased by the Association shall be for the benefit of all of the Unit Owners and their mortgagees, as their interests may appear, and shall provide that all proceeds thereof shall be payable to the Association or its authorized representative as insurance trustee under this Declaration. Each Unit Owner and his mortgagee, if any, shall be beneficiaries of each insurance policy in the percentage of the Unit Owner's undivided interest in the Townhome Development whether or not stated therein. The sole duty of the Association or its authorized representative as insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein. Proceeds of master insurance received by the insurance trustee shall be distributed to or for the benefit of the beneficiaries in the following manner:

- (i) Proceeds shall first be paid to cover the cost of reconstruction and repair of any damage covered;
- (ii) Proceeds shall then be paid to the trustee to reimburse it for costs reasonably incurred in discharging its duties as trustee; and
- (iii) Any remaining proceeds shall then be distributed to the beneficiary or beneficiaries of the trust, as their interests may appear.

ARTICLE IX ASSESSMENTS

Assessments against Unit Owners by the Board of Managers made pursuant to this Declaration shall, if not paid when due, create a lien in favor of the ASSOCIATION against the Unit of the defaulting owner as provided in Chapter 47F, both of the North Carolina General Statutes, and shall be collectable as provided therein.

There will be a Working Capital assessment of Two Hundred Dollars (\$200.00) and a prorata share of the current monthly assessment due, all due at the closing of the initial purchase of each Unit.

Regular assessments shall be established for: 1) upkeep of the all of the grounds of the development, including, but not limited to all yards except those enclosed within fencing for the exclusive use of a particular Unit; 2) upkeep of development signage; 3) upkeep and reserves for maintenance of the roads and streets within the development; 4) upkeep and reserves for maintenance of the trails, walks, sidewalks and golf carts within the development; 5) any and all utilities supplied to the Common Areas; and such other reserves and common expenses as may be determined by the Declarant, and after the period of Declarant control, the Association.

Special assessment liens shall be automatically created for any common expense that is not the sole responsibility of the Owner of a Unit. Special assessments shall arise for maintenance of utilities located in the Common Area. However, if the need for the maintenance arises due to the actions, or in actions, of one Unit Owner, that Unit Owner shall be solely responsible for the costs of repair.

Each Unit shall have separate insurance for hazard and wind and hail damage, water and sewer service, electricity, trash collection, telephone, cable, and other utility billings.

The lien created by this Article shall be subordinate to the lien of any first mortgage. Sale or transfer of any Unit shall not affect the lien of any assessment, except that the sale or transfer of any Unit pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of any assessment against the Unit that first became due prior to such sale or transfer.

Fees, charges late charges, fines and interest charged pursuant to the Act and this Declaration are enforceable as assessments under the Section. If an assessment is payable in installments, the full amount of the assessment becomes immediately due and payable when the first installment thereof remains unpaid in such manner, and the full amount of the assessment shall constitute a lien from the time of such filing. The Association's lien may be foreclosed as a mortgage on real estate under power of sale under Article 2A of Chapter 45 of the General Statutes of North Carolina. The Trustee for such foreclosure shall be a person or entity appointed by the Association.

All monetary fines, penalties, interest or other charges or fees levied against a Unit Owner pursuant to this Declaration, or any expense of the ASSOCIATION that is the obligation of a Unit Owner or that is incurred by the ASSOCIATION on behalf of the Unit Owner pursuant to this Declaration, and any expense (including without limitation attorneys' fees) incurred by the ASSOCIATION as a result of the failure of a Unit Owner to abide by this Declaration, constitutes a "**Default Assessment,**" enforceable as provide in this Declaration below and in accordance with the Act. Any installment of an assessment, which is not paid when due, shall be delinquent. If such an assessment installment becomes delinquent, or if any Default Assessment is levied, the ASSOCIATION may unilaterally cause the ASSOCIATION to take any or all of the following actions in their sole discretion:

- (a) Assess a late fee for each delinquency equal to four percent (4%) of the amount due;
- (b) Charge interest from the date of delinquency at an interest rate equal to the lesser of (i) ten percent (10%) per annum or (ii) the maximum legal rate allowed in the state of North Carolina per annum (the "Default Rate");
- (c) Suspend the voting rights of the Unit Owner or the right of the Unit Owner to use any recreational amenity of the Townhomes, if any, during any period of delinquency;

- (d) Accelerate all remaining assessment installations for the fiscal year in question so that unpaid assessments for the remainder of the fiscal year shall be due and payable at once;
- (e) Bring an action at law against any Unit Owner personally obligated to pay the delinquent assessment charges;
- (f) File a statement of lien with respect to the Unit and foreclose as set forth in more detail below.
- (g) Assess a fine against the defaulting Unit Owner of up to \$150.00.

Any assessment or portion thereof that is not paid when due shall be delinquent. If any delinquent assessment or any portion thereof is not paid within thirty (30) days after the due date, the same shall bear interest from the date of delinquency at the Default Rate and in addition, a late fee may be assessed as provided above. The Association may bring an action in the name of the ASSOCIATION (and at the expense of the ASSOCIATION) against the Unit Owner personally obligated to pay the same, and may foreclose the lien against the Unit in the same manner as provided in North Carolina for the foreclosure of deeds of trust, or both, and, in either event, interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. The ASSOCIATION may bid for the Unit at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Unit. The sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any subsequent assessments.

ARTICLE X ARCHITECTURAL CONTROL

The Declarant, and after the period of Declarant Control, the Association, shall have the right and obligation to control the development and appearance in the Planned Community.

ARTICLE XI BINDING EFFECT

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 Unit subject to this Declaration, their respective legal representatives, heirs, successors and assigns.

ARTICLE XII AMENDMENT

This Declaration may be amended at any time and from time to time by an instrument in writing executed by the Declarant as long as Declarant owns no less than 50% of the Units, or by the holders of sixty-seven percent (67%) of the votes in CYPRESS CREEK, and any such amendment shall be effective upon the recording of such Amendment(s) in the Office of the Register of Deeds for Moore County.

The Declarant may amend this Declaration at any time prior to December 31, 2014, in order to add additional phases to the development.

The Declarant, its successors or assigns, may file Supplemental Declarations from time to time authorizing, approving, and detailing the reconfiguration, renovation and remodeling of the Units, Common Elements, and Common Areas. In the event of any disagreement between the owners of the Units as to what is fair, proper and appropriate and in order to prevent a stalemate which would result in a detriment to all concerned parties it is agreed that any dispute or disagreement that can't be settled to the satisfaction of both Unit Owners within thirty days will be submitted to binding arbitration in accordance with Arbitration as set forth in North Carolina General Statute Chapter 1 Article 45C, the Revised Uniform Arbitration Act, and settled in that manner.

ARTICLE XIII
THE ASSOCIATION

A. Common Elements. Except as otherwise specified herein, the ASSOCIATION will maintain, repair and replace all sidewalks, trails, roads and streets, and all improvements and utilities within the Common Area. The costs of such maintenance, repair and replacement shall be a Common Expense. All damage done to the Common Elements by or for the ASSOCIATION shall be repaired by the ASSOCIATION and the cost thereof shall be a part of the Common Expenses.

C. Membership. Every Unit Owner shall be a member of the ASSOCIATION. Membership shall be appurtenant to and may not be separated from ownership of any Unit. No Unit Owner, whether one or more persons, will have ore than one membership per Unit owned, but all of the persons owning each Unit will be entitled to rights of membership and use and enjoyment appurtenant to such ownership.

D. Transfer of Membership. A Unit Owner shall not transfer, pledge or alienate his Membership in the ASSOCIATION in any way, except upon the sale or encumbrance of the Unit, and then only to the purchaser of his Unit.

E. Class of Membership. The Association shall have two classes of voting memberships

1. Class "A". Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Unit owned. When more than one person holds an interest in the Unit, all such persons shall be members. The vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Unit.

2. Class "B". The Class B member shall be the Declarant and shall be entitled to three (3) votes for each unit constructed. The Class B membership shall automatically terminate upon the happening of either of the two following events, which ever occurs earliest:

- (a) Upon the closing of the sale of 85% of all units in all phases, on an overall basis in the development, or
- (b) ten years after the sale of the first unit, or June 15, 2018.

F. Voting Rights. Except as otherwise provided herein or in the By-Laws, each member shall be entitled to vote in ASSOCIATION matters. When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised by one person or alternative persons as the Unit Owners among themselves determine. If more than one of the multiple owners is present at a meeting in person or by proxy, the vote allocated to their Unit may be cast only in accordance with the agreement of a majority in interest of the owners as evidenced by a written designation filed with the secretary of the ASSOCIATION. There is a majority agreement if any of the multiple owners casts the vote allocated to his Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

G. Officers. The initial officers of the Association shall be the President of the Association, Dale Lee Kidder, and the Secretary/Treasurer, William Warren Dabbs.

IN TESTIMONY WHEREOF, the Declarant has caused this document to be executed this the _____ day of _____, 2009.

DECLARANT: **MID-STATE DEVELOPMENT, LLC**

BY: _____ (SEAL)
 William Warren Dabbs
 ITS: Member/Manager

STATE OF NORTH CAROLINA COUNTY OF _____

I, _____, a Notary Public for the State and, County aforesaid, do hereby certify that **William Warren Dabbs**, Member/Manager of **Mid-state Development, LLC**, personally appeared before me, as proven by photographic identification, this day and acknowledged the execution of the foregoing instrument as a duly authorized act of the said Company.

This the _____ day _____, 2009.

 Notary Public
 Name: _____
 My Commission Expires: _____

EXHIBIT B

CYPRESS CREEK, TOWNHOMES

The Survey, Plat, and Plans are recorded in Plat Book _____ at Page
_____ in the MOORE County Registry.

EXHIBIT A

CYPRESS CREEK, TOWNHOMES

BEING all of _____, as the same is shown on a plat thereof recorded in Plat Book _____ at Page _____ in the office of the Register of Deeds of Moore County, and being a portion of that property described in Deed in Book 172 Page 175 in said Registry ("the TOWNHOMES Property").
