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 Gaston, NC
 Alice B. Brown Register of Deeds

BK **4073** PG **2252-2280**

COPY

DRAWN BY: Robert R. Gelblum, Spec. Dep. Atty. Gen., Dept. of Justice, State of NC
MAIL TO: J. Jerome Miller, Attorney, 723 S. Sharon Amity Road, #105, Charlotte, NC 28211

NOTICE OF BROWNFIELDS PROPERTY

This documentary component of a Notice of Brownfields Property (“Notice”) is filed on 27th October, 2004 by Wede Properties, LLC (hereinafter “Prospective Developer”), and is recorded at the Gaston County Register of Deeds office in Book 4073, Page 2252. The associated plat is recorded at Book 69, Page 44. The owner of the property that is the subject of this Notice is Prospective Developer.

This is a notice regarding contaminated property.

A copy of this Notice certified by the North Carolina Department of Environment and Natural Resources (hereinafter “DENR”) is required to be filed in the Register of Deeds’ Office in the county or counties in which the land is located, pursuant to North Carolina General Statutes (hereinafter “NCGS”), Section (hereinafter “§”) 130A-310.35(b).

This Notice is required by NCGS § 130A-310.35(a), in order to reduce or eliminate the danger to public health or the environment posed by environmental contamination at a property (hereinafter the “Brownfields Property”) being addressed under the Brownfields Property Reuse Act of 1997, NCGS § 130A, Article 9, Part 5 (hereinafter the “Act”).

Pursuant to NCGS § 130A-310.35(b), the Prospective Developer must file a certified copy of this Notice within 15 days of Prospective Developer’s receipt of DENR’s approval of the Notice or Prospective Developer’s entry into the Brownfields Agreement required by the Act, whichever is later. Pursuant to NCGS § 130A-310.35(c), the copy of the Notice certified by DENR must be recorded in the grantor index under the names of the owners of the land and, if Prospective Developer is not the owner, also under Prospective Developer’s name.

The Brownfields Property is comprised of approximately 10.7 acres located at 1111 Oates Road in Bessemer City, Gaston County, North Carolina. Prospective Developer is a North Carolina limited liability corporation that intends to redevelop the Brownfields Property for industrial light manufacturing and commercial use.

The Brownfields Agreement between Prospective Developer and DENR is attached hereto as Exhibit A. It sets forth the use that may be made of the Brownfields Property and the measures to be taken to protect public health and the environment, and is required by NCGS § 130A-310.32.

Attached hereto as **Exhibit B** is a reduction, to 8 1/2" x 11", of the survey plat required by NCGS § 130A-310.35(a). It is a plat of areas designated by DENR that has been prepared and certified by a professional land surveyor and that meets the requirements of NCGS § 47-30. That plat contains the following information required by NCGS § 130A-310.35(a):

(1) The location and dimensions of the areas of potential environmental concern with respect to permanently surveyed benchmarks.

(2) The type, location and quantity of regulated substances and contaminants known to exist on the Brownfields Property. The following table also sets forth the type and quantity of such substances:

Groundwater Contaminant	Sample Location	Date of Max. Concentration Sampling	Maximum Concentration above Std. (ug/L)	Standard (ug/L)
1,1 Dichloroethene	OW-5	01/03/02	24.6	7
	OW-5	10/24/02	17.0	
	OW-6	01/03/02	607	
	OW-6	10/24/02	334	
	BW-2	01/03/02	176	
	BW-2	10/24/02	152	

Attached hereto as **Exhibit C** is a legal description of the Brownfields Property that would be sufficient as a description of the property in an instrument of conveyance.

LAND USE RESTRICTIONS

NCGS 130A-310.35(a) also requires that the Notice identify any restrictions on the current and future use of the Brownfields Property that are necessary or useful to maintain the level of protection appropriate for the designated current or future use of the Brownfields Property and that are designated in the Brownfields Agreement. **The restrictions shall remain in force in perpetuity unless canceled by the Secretary of DENR (or its successor in function), or his/her designee, after the hazards have been eliminated, pursuant to NCGS § 130A-310.35(e). Those restrictions are hereby imposed on the Brownfields Property, and are as follows:**

1. No use may be made of the Brownfields Property other than the following:

a. Industrial light manufacturing, defined as industrial use in which no process water or wastewater is generated, and involving the assembly, fabrication or processing of goods and materials using processes that ordinarily do not create noise, smoke, fumes, odors, glare, or health or safety hazards outside of the building or lot where such assembly, fabrication, or processing takes place, where such processes are housed entirely within a building, or where the area occupied by the outdoor storage of goods and material used in such processes does not exceed twenty-five (25) percent of the floor area of all buildings on the Brownfields Property.

b. Commercial purposes, defined as an occupation, employment or enterprise that is carried on for profit by the owner, lessee or licensee.

2. The owner(s) of the portions of the Brownfields Property containing the monitoring wells denominated as OW-6 and OW-9, on the plat recorded as part of this Notice, shall maintain those wells in good repair, replacing each or both of them, to the satisfaction of DENR and in locations satisfactory to DENR, if DENR determines replacement is necessary.

3. Beginning in the first January following the year in which this Notice is recorded, and during every other January after that, the owner(s) of the portions of the Brownfields Property containing the monitoring wells denominated as OW-6 and OW-9, on the plat recorded as part of this Notice, shall effect sampling of those wells in accordance with the most current version of the Guidelines of the Inactive Hazardous Sites Branch of DENR's Superfund Section. The groundwater samples collected during such activities shall be analyzed for volatile and semi-volatile organic compounds by Method 8260 of the U.S. Environmental Protection Agency or any comparable method approved in advance by DENR. A Groundwater Monitoring Report setting forth the procedures and results of these groundwater sampling activities shall be submitted with the Land Use Restrictions Update referenced below in restriction 14, in those years during which groundwater sampling is required. If DENR states in writing that the results of three consecutive sampling events required by this restriction indicate no exceedances of applicable legal standards in one or both wells, no further sampling of the relevant well(s) shall be required. Within sixty (60) days after any affected owner's receipt of any such DENR statement, the relevant owner(s) shall effect abandonment of wells OW-6 and/or OW-9 in accordance with Subchapter 2C of Title 15A of the North Carolina Administrative Code and shall, within thirty (30) days after completing any such abandonment activities, submit to DENR a report setting forth the procedures and results of the activities.

4. Surface water and underground water at the Brownfields Property may not be used for any purpose without the approval of DENR or its successor in function.

5. No activities that encounter, expose, remove or use groundwater (for example, installation of water supply wells, fountains, ponds, lakes or swimming pools, or construction or excavation activities that encounter or expose groundwater) may occur on the Brownfields Property without prior sampling and analysis of groundwater to the satisfaction of DENR or its successor in function in any areas proposed for such activities, and submittal of the analytical results to DENR or its successor in function. If such results disclose to DENR or its successor in function contamination in excess of North Carolina's groundwater quality standards, the proposed activities may not occur without the approval of DENR or its successor in function on such conditions as DENR or its successor in function imposes, including at a minimum legal approval of plans and procedures to protect public health and the environment during the proposed activities.

6. Soil underlying paved surfaces and buildings at the Brownfields Property may not be exposed without prior sampling and analysis of such soil to the satisfaction of DENR or its successor in function, and submittal of the analytical results to DENR or its successor in function. If such results disclose contamination in excess of the applicable standards as determined by DENR or its successor in function, the soil may not be exposed without the approval of DENR or its successor in function on such conditions as DENR or its successor in function imposes, including at a minimum legally approved plans and

procedures to protect public health and the environment during the activities that would expose such soil.

7. No mining may be conducted on or under the Brownfields Property, including, without limitation, extraction of coal, oil, gas or any other minerals or non-mineral substances.

8. No basements may be constructed on the Brownfields Property unless they are, as determined by DENR or its successor in function, vented in conformance with applicable building codes.

9. None of the contaminants known to be present in the environmental media at the Brownfields Property, including those listed in the table above in (2), may be used or stored at the Brownfields Property without the prior approval of DENR or its successor in function, except in *de minimis* amounts for cleaning and other routine housekeeping activities.

10. The Brownfields Property may not be used as a park or for sports of any kind, including, but not limited to, golf, football, soccer and baseball, without the approval of DENR or its successor in function.

11. The Brownfields Property may not be used for agriculture, grazing, timbering or timber production.

12. The Brownfields Property may not be used as a playground, or for child care centers or schools.

13. The Brownfields Property may not be used for kennels, private animal pens or horse-riding.

14. During January of each year after this Notice is recorded, the then current owner of any part of the Brownfields Property shall submit a notarized Land Use Restrictions Update to DENR or its successor in function certifying that this Notice remains recorded at the Gaston County Register of Deeds office, that the land use restrictions are being complied with, and that the wells referenced in restriction 2 above are in good repair, and, in relevant years, setting forth the procedures and results of the groundwater sampling required by restriction 3 above.

For purposes of the land use restrictions set forth above, "DENR" shall mean the DENR official and address referenced in subparagraph 33.a. of Exhibit A hereto.

ENFORCEMENT

The above land use restrictions shall be enforceable without regard to lack of privity of estate or contract, lack of benefit to particular land, or lack of any property interest in particular land. The land use restrictions shall be enforced by any owner of the Brownfields Property. The land use restrictions may also be enforced by DENR through the remedies provided in NCGS 130A, Article 1, Part 2 or by means of a civil action; by any unit of local government having jurisdiction over any part of the Brownfields Property; and by any person eligible for liability protection under the Brownfields Property Reuse Act who will lose liability protection if the restrictions are violated. Any attempt to cancel any or all of this Declaration without the approval of the Secretary of DENR (or its successor in function), or his/her delegate, shall be subject to enforcement by DENR to the full extent of the law. Failure by any party required or authorized to enforce any

of the above restrictions shall in no event be deemed a waiver of the right to do so thereafter as to the same violation or as to one occurring prior or subsequent thereto.

FUTURE SALES, LEASES, CONVEYANCES AND TRANSFERS

When any portion of the Brownfields Property is sold, leased, conveyed or transferred, pursuant to NCGS § 130A-310.35(d) the deed or other instrument of transfer shall contain in the description section, in no smaller type than that used in the body of the deed or instrument, a statement that the Brownfields Property has been classified and, if appropriate, cleaned up as a brownfields property under the Brownfields Property Reuse Act.

IN WITNESS WHEREOF, Prospective Developer has caused this instrument to be duly executed this 26th day of August, 2004.

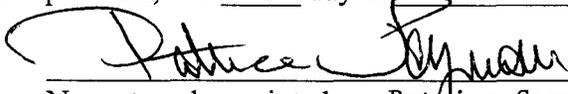
Wede Properties, LLC

By: 
Hans Wede
Member/Manager

NORTH CAROLINA
GASTON COUNTY

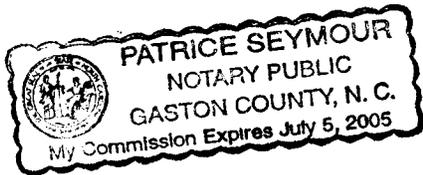
I, Patrice Seymour, a Notary Public of the county and state aforesaid, certify that Hans Wede personally came before me this day and acknowledged that he ~~is~~ ^{is} a Member of Wede Properties, LLC, a North Carolina limited liability ~~corporation~~ ^{company}, and its Manager, and that by authority duly given and as the act of the corporation, the foregoing Notice of Brownfields Property was signed in its name by him/ ~~her~~

WITNESS my hand and official stamp or seal, this 26th day of August, 2004


Name typed or printed: Patrice Seymour
Notary Public

My Commission expires: _____

[Stamp/Seal]



APPROVAL AND CERTIFICATION OF NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

The foregoing Notice of Brownfields Property is hereby approved and certified.
North Carolina Department of Environment and Natural Resources

By: Linda M. Culpepper
Linda M. Culpepper
Deputy Director, Division of Waste Management

August 3, 2004
Date

CERTIFICATION OF REGISTER OF DEEDS

The foregoing documentary component of the Notice of Brownfields Property, and the associated plat, are certified to be duly recorded at the date and time, and in the Books and Pages, shown on the first page hereof.

Register of Deeds for Gaston County

By: _____
Name typed or printed: _____
Deputy/Assistant Register of Deeds

Date

EXHIBIT A

NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

IN THE MATTER OF: Wede Properties, LLC

UNDER THE AUTHORITY OF THE)	BROWNFIELDS AGREEMENT re:
BROWNFIELDS PROPERTY REUSE ACT)	Former Quality Metal Products Site
OF 1997, N.C.G.S. § 130A-310.30, <u>et seq.</u>)	1111 Oates Road
)	Bessemer City, Gaston County
)	Brownfields Project No 06014-02-36

I. INTRODUCTION

This Brownfields Agreement (“Agreement”) is entered into by the North Carolina Department of Environment and Natural Resources (“DENR”) and Wede Properties, LLC (collectively the “Parties”) pursuant to the Brownfields Property Reuse Act of 1997, N.C.G.S. § 130A-310.30, et seq. (the “Act”).

Wede Properties, LLC is a North Carolina limited liability corporation. The property that is the subject of this Agreement is comprised of approximately 10.7 acres located at 1111 Oates Road in Bessemer City, Gaston County, North Carolina. Wede Properties, LLC intends to redevelop the property for industrial light manufacturing and commercial use. A map showing the location of the property which is the subject of this Agreement is attached hereto as Exhibit 1.

The Parties agree to undertake all actions required by the terms and conditions of this Agreement. The purpose of this Agreement is to settle and resolve, subject to reservations and limitations contained in Section VIII (Certification), Section IX (DENR’s Covenant Not to Sue and Reservation of Rights) and Section X (Prospective Developer’s Covenant Not to Sue), the potential liability of Wede Properties, LLC for contaminants at the property which is the subject of this Agreement.

The Parties agree that Wede Properties, LLC's entry into this Agreement, and the actions undertaken by Wede Properties, LLC in accordance with the Agreement, do not constitute an admission of any liability by Wede Properties, LLC.

The resolution of this potential liability, in exchange for the benefit Wede Properties, LLC shall provide to DENR, is in the public interest.

II. DEFINITIONS

Unless otherwise expressly provided herein, terms used in this Agreement which are defined in the Act or elsewhere in N.C.G.S. 130A, Article 9 shall have the meaning assigned to them in those statutory provisions, including any amendments thereto.

1. "Property" shall mean the Brownfields Property which is the subject of this Agreement, and which is described and depicted in Exhibit 1 of this Agreement.
2. "Prospective Developer" shall mean Wede Properties, LLC.

III. STATEMENT OF FACTS

3. The Property comprises a 10.7-acre parcel at 1111 Oates Road, which is located off Interstate I-85 at exit 13 in Bessemer City, Gaston County, North Carolina. Prospective Developer has committed itself to redevelopment for nothing other than industrial light manufacturing and commercial use. Groundwater is contaminated at the Property due to historical site operations by a former Quality Metal Products, Inc. ("Quality Metal Products") manufacturing facility. Present on the parcel are three metal buildings with concrete foundations: an office building of approximately 2,400 square feet, a manufacturing building of approximately 11,300 square feet, and an addition to the latter of approximately 28,800 square feet.

4. The Property is bordered to the north by Interstate I-85 and residential properties beyond, to the east by woodlands and Crowders Creek, to the south by woodlands, and to the west by land used for residential purposes.

5. Prospective Developer obtained or commissioned the following reports, referred to hereinafter as the "Environmental Reports," regarding the Property:

<i>Title</i>	<i>Prepared by</i>	<i>Date of Report</i>
Supplemental Site Investigation Report	Gemini Geotechnical Associates, Inc.	January 25, 2002
Phase II Supplemental Site Investigation Report Recommendations	Gemini Geotechnical Associates, Inc.	January 28, 2002
Receptor Survey	ATC Associates, Inc.	September 19, 2002
Site Assessment Report	ATC Associates, Inc	January 15, 2003
Brownfields Assessment Activities Report	Sub-Surface Waste Management (SSWM)	September 19, 2003

6. For purposes of this Agreement, DENR relies on the following representations by Prospective Developer as to prior use of the Property:

a. According to the Environmental Reports, the Property was purchased and developed by Quality Metal Products in 1978. The above-referenced manufacturing building was constructed in 1978, the additional manufacturing building in 1980, and the office building in 1984. The Property was previously served by public water supply wells and an on-site septic system. Recently, city water and sewer lines have been installed that serve the Property.

b. Quality Metal Products operated at the Property from 1978 through 1999, when it moved to another facility in the area. The manufacturing building included an open manufacturing floor, welding area, paint line, breakroom, bathrooms and storage areas. The

paint line included a large wash unit that consisted of degreasing, cleaning, iron base coating and drying functions. Parts were then placed in a powder booth, where they were electrostatically charged, and coated with a paint powder. Finally, the parts were moved into an oven and the paint baked on. Based on the Environmental Reports, the wastewater from the wash unit was pumped regularly and properly disposed by a wastewater contractor.

c. Underground storage tanks (USTs) were reportedly used during previous operations at the Property. The USTs were reportedly removed in 1982; however, the size, contents and location of the tanks is unknown. Above-ground Storage Tanks (ASTs) were also used during operations at the Property; two tanks were removed by Quality Metal Products when its operations at the Property ceased.

d. In 1997, DENR's Division of Water Quality assigned the Property Groundwater Incident Number 17249 and it was ranked "intermediate risk." Contaminant concentrations were detected above the state standards in water supply wells at the Property. The wells have been abandoned. Quality Metal Products is listed by the Division of Water Quality as the party responsible for the contamination at the Property. Additional monitoring wells were installed to further assess the Property for the DENR Groundwater Section and Brownfields Program.

7. The following table sets forth (in micrograms per liter, the equivalent of parts per billion) the maximum concentration of that contaminant found at each sample location and the standard, which is contained in Title 15A of the North Carolina Administrative Code, Subchapter 2L, Rule .0202:

Groundwater Contaminant	Sample Location	Date of Max. Concentration Sampling	Maximum Concentration above Std. (ug/L)	Standard (ug/L)
1,1 Dichloroethene	OW-5	01/03/02	24.6	7
	OW-5	10/24/02	17.0	
	OW-6	01/03/02	607	
	OW-6	10/24/02	334	
	BW-2	01/03/02	176	
	BW-2	10/24/02	152	

8. For purposes of this Agreement DENR relies on Prospective Developer's representations that Prospective Developer's involvement with the Property has been limited to obtaining or commissioning the Environmental Reports, preparing and submitting to DENR a Brownfields Letter of Intent dated July 31, 2002, and purchasing the Property from Quality Metal Products on December 12, 2002.

9. Prospective Developer has provided DENR with information, or sworn certifications regarding that information on which DENR relies for purposes of this Agreement, necessary to demonstrate that:

a. Prospective Developer and any parent, subsidiary, or other affiliate has substantially complied with federal and state laws, regulations and rules for protection of the environment, and with the other agreements and requirements cited at N.C.G.S. § 130A-310.32(a)(1);

b. as a result of the implementation of this Agreement, the Property will be suitable for the uses specified in the Agreement while fully protecting public health and the environment;

c. Prospective Developer's reuse of the Property will produce a public benefit commensurate with the liability protection provided Prospective Developer hereunder;

d. Prospective Developer has or can obtain the financial, managerial and technical means to fully implement this Agreement and assure the safe use of the Property; and

e. Prospective Developer has complied with all applicable procedural requirements.

10. Prospective Developer has paid the \$2,000 fee to seek a brownfields agreement required by N.C.G.S. § 130A-310.39(a)(1). Pursuant to N.C.G.S. § 130A-310.39(a)(2), the procedure upon which Prospective Developer and DENR have agreed for payment of the full cost to DENR and the North Carolina Department of Justice (“DOJ”) of all activities related to this Agreement is that Prospective Developer shall pay any amount by which DOJ’s hours, multiplied by \$36.24, exceed the \$2,000 fee referenced above in this paragraph. (DENR has incurred no costs.)

IV. BENEFIT TO COMMUNITY

11. The redevelopment of the Property proposed herein would provide the following public benefits:

a. a return to productive use of the Property;

b. a spur to additional community redevelopment, through improved neighborhood appearance and otherwise;

c. jobs;

d. tax revenue for affected jurisdictions; and

e. “smart growth” through use of land in an already developed area, which avoids

development of land beyond the urban fringe (“greenfields”).

V. WORK TO BE PERFORMED

12. Based on the information in the Environmental Reports, and subject to imposition of and compliance with the land use restrictions set forth below, and subject to all other provisions of this paragraph and Section IX of this Agreement (Reservation of Rights and DENR’s Covenant Not to Sue and Reservation of Rights), Prospective Developer shall not be performing any active remediation at the Property.

13. By way of the Notice of Brownfields Property referenced below in paragraph 19, Prospective Developer shall impose the following land use restrictions under the Act, running with the land, to make the Property safe for the uses specified in this Agreement while fully protecting public health and the environment.

a. No use may be made of the Property other than for the following:

i. Industrial light manufacturing purposes, defined as an industrial use at which no process water or wastewater is generated, and involving the assembly, fabrication or processing of goods and materials using processes that ordinarily do not create noise, smoke, fumes, odors, glare, or health or safety hazards outside of the building or lot where such assembly, fabrication, or processing takes place, where such processes are housed entirely within a building, or where the area occupied by the outdoor storage of goods and material used in such processes does not exceed 25 percent of the floor area of all the buildings on the property.

ii. Commercial purposes, defined as an occupation, employment or enterprise that is carried on for profit by the owner, lessee or licensee.

b. The owner(s) of the portions of the Property containing the monitoring wells denominated as OW-6 and OW-9, on the plat recorded as part of the Notice of Brownfields Property referenced in paragraph 19 below, shall maintain those wells in good repair, replacing each or both of them, to the satisfaction of DENR and in locations satisfactory to DENR, if DENR determines replacement is necessary.

c. Beginning in the first January following the year in which the Notice of Brownfields Property referenced below in paragraph 19 is recorded, and during every other January after that, the owner(s) of the portions of the Property containing the monitoring wells denominated as OW-6 and OW-9, on the plat recorded as part of the Notice of Brownfields Property referenced in paragraph 19 below, shall effect sampling of those wells in accordance with the most current version of the Guidelines of the Inactive Hazardous Sites Branch of DENR's Superfund Section. The groundwater samples collected during such activities shall be analyzed for volatile and semi-volatile organic compounds by Method 8260 of the U.S. Environmental Protection Agency or any comparable method approved in advance by DENR. A Groundwater Monitoring Report setting forth the procedures and results of these groundwater sampling activities shall be submitted with the Land Use Restrictions Update referenced below in paragraph 13.n. in those years during which groundwater sampling is required. If DENR states in writing that the results of three consecutive sampling events required by this subparagraph indicate no exceedances of applicable legal standards in one or both wells, no further sampling of the relevant well(s) shall be required. Within sixty (60) days after any affected owner's receipt of any such DENR statement, the relevant owner(s) shall effect abandonment of wells OW-6 and/or OW-9 in accordance with Subchapter 2C of Title 15A of the North Carolina Administrative

Code and shall, within thirty (30) days after completing any such abandonment activities, submit to DENR a report setting forth the procedures and results of the activities.

d. Surface water and underground water at the Property may not be used for any purpose without the approval of DENR or its successor in function.

e. No activities that encounter, expose, remove or use groundwater (for example, installation of water supply wells, fountains, ponds, lakes or swimming pools, or construction or excavation activities that encounter or expose groundwater) may occur on the Property without prior sampling and analysis of groundwater to the satisfaction of DENR or its successor in function in any areas proposed for such activities, and submittal of the analytical results to DENR or its successor in function. If such results disclose to DENR or its successor in function contamination in excess of North Carolina's groundwater quality standards, the proposed activities may not occur without the approval of DENR or its successor in function on such conditions as DENR or its successor in function imposes, including at a minimum legal approval of plans and procedures to protect public health and the environment during the proposed activities.

f. Soil underlying paved surfaces and buildings at the Property may not be exposed without prior sampling and analysis of such soil to the satisfaction of DENR or its successor in function, and submittal of the analytical results to DENR or its successor in function. If such results disclose contamination in excess of the applicable standards as determined by DENR or its successor in function, the soil may not be exposed without the approval of DENR or its successor in function on such conditions as DENR or its successor in function imposes, including at a minimum legally approved plans and procedures to protect

public health and the environment during the activities that would expose such soil.

g. No mining may be conducted on or under the Property, including, without limitation, extraction of coal, oil, gas or any other minerals or non-mineral substances.

h. No basements may be constructed on the Property unless they are, as determined by DENR or its successor in function, vented in conformance with applicable building codes.

i. None of the contaminants known to be present in the environmental media at the Property, including those listed in paragraph 7 of this Agreement, may be used or stored at the Property without the prior approval of DENR or its successor in function, except in *de minimis* amounts for cleaning and other routine housekeeping activities.

j. The Property may not be used as a park or for sports of any kind, including, but not limited to, golf, football, soccer and baseball, without the approval of DENR or its successor in function.

k. The Property may not be used for agriculture, grazing, timbering or timber production.

l. The Property may not be used as a playground, or for child care centers or schools.

m. The Property may not be used for kennels, private animal pens or horse-riding.

n. During January of each year after this Agreement becomes effective, the then current owner of any part of the Property shall submit a notarized Land Use Restrictions Update to DENR or its successor in function certifying that the Notice of Brownfields Property containing these land use restrictions remains recorded at the Gaston County Register of Deeds

office, that the land use restrictions are being complied with, and that the wells referenced in paragraph 13.b. above are in good repair, and, in relevant years, setting forth the procedures and results of the groundwater sampling required by paragraph 13.c. above.

14. Within thirty (30) days after the effective date of this Agreement, Prospective Developer shall notify DENR that it is ready to effect the abandonment of all groundwater monitoring wells (except OW-6 and OW-9), injection wells, recovery wells, piezometers and other man-made points of groundwater access at the Property in accordance with Subchapter 2C of Title 15A of the North Carolina Administrative Code. Unless DENR notifies Prospective Developer within ten (10) days of receiving such notification to refrain from such abandonment, Prospective Developer shall effect said abandonment and shall, within thirty (30) days after concluding such abandonment, provide DENR a report setting forth the procedures and results.

15. The desired result of the above-referenced land use restrictions is to make the Property suitable for the uses specified in the Agreement while fully protecting public health and the environment.

16. The guidelines, including parameters, principles and policies within which the desired results are to be accomplished are the Guidelines of the Inactive Hazardous Sites Branch of DENR's Superfund Section, as embodied in their most current version.

17. The consequences of achieving or not achieving the desired results will be that the Property is or is not suitable for the uses specified in the Agreement while fully protecting public health and the environment.

VI. ACCESS/NOTICE TO SUCCESSORS IN INTEREST

18. Commencing upon the effective date of this Agreement, Prospective Developer agrees to provide to DENR, its authorized officers, employees, representatives, and all other persons performing response actions under DENR oversight, an irrevocable right of access at all reasonable times to the Property and to any other property to which access is required for the implementation of response actions at the Property, to the extent access to such other property is controlled by the Prospective Developer, for the purposes of performing or overseeing response actions at the Property under applicable law. DENR agrees to provide reasonable notice to the Prospective Developer of the timing of response actions to be undertaken at the Property. Notwithstanding any provision of this Agreement, DENR retains all of its authorities and rights, including enforcement authorities related thereto, under the Act and any other applicable statute or regulation, including any amendments thereto.

19. DENR has approved, pursuant to N.C.G.S. § 130A-310.35, a Notice of Brownfields Property for the Property containing, inter alia, the land use restrictions set forth in Section V (Work to Be Performed) of this Agreement. Pursuant to N.C.G.S. § 130A-310.35(b), within 15 days of the effective date of this Agreement Prospective Developer shall file the Notice of Brownfields Property in the Gaston County, North Carolina register of deeds' office, and within three days thereafter shall furnish DENR a copy containing a certification by the register of deeds that the Notice has been recorded and the book and page number where recorded.

20. This Agreement shall be attached as Exhibit A to the Notice of Brownfields Property. Subsequent to recordation of said Notice, any deed or other instrument conveying an interest in the Property shall contain the following notice: "The property which is the subject of this

instrument is subject to the Brownfields Agreement attached as Exhibit A to the Notice of Brownfields Property recorded in the Gaston County land records, Book 4073, Page 2252. A copy of any such instrument shall be sent to the persons listed in Section XV (Notices and Submissions), though financial figures related to the conveyance may be redacted.

21. The Prospective Developer shall ensure that assignees, successors in interest, lessees, and sublessees, of the Property shall provide the same access and cooperation. The Prospective Developer shall ensure that a copy of this Agreement is provided to any current lessee or sublessee on the Property as of the effective date of this Agreement and shall ensure that any subsequent leases, subleases, assignments or transfers of the Property or an interest in the Property are consistent with this Section, Section V (Work to be Performed) and Section XI (Parties Bound/Transfer of Covenant) of this Agreement.

VII. DUE CARE/COOPERATION

22. The Prospective Developer shall exercise due care at the Property with respect to regulated substances and shall comply with all applicable local, State, and federal laws and regulations. The Prospective Developer agrees to cooperate fully with any remediation of the Property by DENR and further agrees not to interfere with any such remediation. DENR agrees, consistent with its responsibilities under applicable law, to use reasonable efforts to minimize any interference with the Prospective Developer's operations by any such remediation. In the event the Prospective Developer becomes aware of any action or occurrence which causes or threatens a release of contaminants at or from the Property, the Prospective Developer shall immediately take all appropriate action to prevent, abate, or minimize such release or threat of release, and shall, in addition to complying with any applicable notification requirements under

N.C.G.S. §§ 130A-310.1 and 143-215.84, and Section 103 of CERCLA, 42 U.S.C. § 9603, or any other law, immediately notify DENR of such release or threatened release.

VIII. CERTIFICATION

23. By entering into this agreement, the Prospective Developer certifies that, without DENR approval, it will make no use of the Property other than that committed to in the Brownfields Letter of Intent dated July 31, 2002 by which it applied for this Agreement. That use is industrial light manufacturing and commercial use. Prospective Developer also certifies that to the best of its knowledge and belief it has fully and accurately disclosed to DENR all information known to Prospective Developer and all information in the possession or control of its officers, directors, employees, contractors and agents which relates in any way to any regulated substances at the Property and to its qualification for this Agreement, including the requirement that it not have caused or contributed to the contamination at the Property.

IX. DENR'S COVENANT NOT TO SUE AND RESERVATION OF RIGHTS

24. Unless one of the following applies, Prospective Developer shall not be liable to DENR, and DENR covenants not to sue Prospective Developer, for remediation of the Property except as specified in this Agreement:

- a. The Prospective Developer fails to comply with this Agreement.
- b. The activities conducted on the Property by or under the control or direction of the Prospective Developer increase the risk of harm to public health or the environment, in which case Prospective Developer shall be liable for remediation of the areas of the Property, remediation of which is required by this Agreement, to the extent necessary to eliminate such risk of harm to public health or the environment.

c. A land use restriction set out in the Notice of Brownfields Property required under N.C.G.S. 130A-310.35 is violated while the Prospective Developer owns the Property, in which case the Prospective Developer shall be responsible for remediation of the Property to current standards.

d. The Prospective Developer knowingly or recklessly provided false information that formed a basis for this Agreement or knowingly or recklessly offers false information to demonstrate compliance with this Agreement or fails to disclose relevant information about contamination at the Property.

e. New information indicates the existence of previously unreported contaminants or an area of previously unreported contamination on or associated with the Property that has not been remediated to current standards, unless this Agreement is amended to include any previously unreported contaminants and any additional areas of contamination. If this Agreement sets maximum concentrations for contaminants, and new information indicates the existence of previously unreported areas of these contaminants, further remediation shall be required only if the areas of previously unreported contaminants raise the risk of the contamination to public health or the environment to a level less protective of public health and the environment than that required by this Agreement.

f. The level of risk to public health or the environment from contaminants is unacceptable at or in the vicinity of the Property due to changes in exposure conditions, including (i) a change in land use that increases the probability of exposure to contaminants at or in the vicinity of the Property or (ii) the failure of remediation to mitigate risks to the extent required to

make the Property fully protective of public health and the environment as planned in this Agreement.

g. The Department obtains new information about a contaminant associated with the Property or exposures at or around the Property that raises the risk to public health or the environment associated with the Property beyond an acceptable range and in a manner or to a degree not anticipated in this Agreement.

h. The Prospective Developer fails to file a timely and proper Notice of Brownfields Property under N.C.G.S. § 130A-310.35.

25. Except as may be provided herein, DENR reserves its rights against Prospective Developer as to liabilities beyond the scope of the Act, including those regarding petroleum underground storage tanks pursuant to Part 2A, Article 21A of Chapter 143 of the General Statutes.

26. This Agreement does not waive any applicable requirement to obtain a permit, license or certification.

X. PROSPECTIVE DEVELOPER'S COVENANT NOT TO SUE

27. In consideration of DENR's Covenant Not To Sue in Section IX of this Agreement and in recognition of the absolute State immunity provided in N.C.G.S. § 130A-310.37(b), the Prospective Developer hereby covenants not to sue and not to assert any claims or causes of action against DENR, its authorized officers, employees, or representatives with respect to any action implementing the Act, including negotiating, entering, monitoring or enforcing this Agreement or the above-referenced Notice of Brownfields Property.

XI. PARTIES BOUND & TRANSFER/ASSIGNMENT NOTICE

28. This Agreement shall apply to and be binding upon DENR, and on the Prospective Developer, its officers, directors, employees, and agents. Each Party's signatory to this Agreement represents that she or he is fully authorized to enter into the terms and conditions of this Agreement and to legally bind the Party for whom she or he signs.

29. No later than fourteen (14) days prior to any transfer or assignment by Prospective Developer of any interest in the Property, Prospective Developer shall provide in writing to DENR the transferee or assignee's name, mailing address, telephone and facsimile numbers, and e-mail address.

XII. DISCLAIMER

30. This Agreement in no way constitutes a finding by DENR as to the risks to public health and the environment which may be posed by regulated substances at the Property, a representation by DENR that the Property is fit for any particular purpose, nor a waiver of Prospective Developer's duty to seek applicable permits or of the provisions of N.C.G.S. § 130A-310.37.

XIII. DOCUMENT RETENTION

31. The Prospective Developer agrees to retain and make available to DENR all business and operating records, contracts, site studies and investigations, and documents relating to operations at the Property, for ten years following the effective date of this Agreement, unless otherwise agreed to in writing by the Parties. At the end of ten years, the Prospective Developer shall notify DENR of the location of such documents and shall provide DENR with an opportunity to copy any documents at the expense of DENR.

XIV. PAYMENT OF ENFORCEMENT COSTS

32. If the Prospective Developer fails to comply with the terms of this Agreement, including, but not limited to, the provisions of Section V (Work to be Performed), it shall be liable for all litigation and other enforcement costs incurred by DENR to enforce this Agreement or otherwise obtain compliance.

XV. NOTICES AND SUBMISSIONS

33. Unless otherwise required by DENR or a Party notifies the other Party in writing of a change in contact information, all notices and submissions pursuant to this Agreement shall be sent by prepaid first class U.S. mail, as follows:

a. for DENR:

Ms. Carolyn Minnich
N.C. Division of Waste Management
Brownfields Program
401 Oberlin Road, Suite 150
Raleigh, NC 27605

b. for Prospective Developer:

Mr. Hans Wede
Wede Properties, LLC
1111 Oates Road
Bessemer City, NC 28016

Notices and submissions sent by prepaid first class U.S. mail shall be effective on the third day following postmarking. Notices and submissions sent by hand or by other means affording written evidence of date of receipt shall be effective on such date.

XVI. EFFECTIVE DATE

34. This Agreement shall become effective on the date the Prospective Developer signs it, after receiving it, signed, from DENR. Prospective Developer shall sign the Agreement within

seven (7) days following such receipt.

XVII. TERMINATION OF CERTAIN PROVISIONS

35. If any Party believes that any or all of the obligations under Section VI (Access/Notice to Successors in Interest) are no longer necessary to ensure compliance with the requirements of the Agreement, that Party may request in writing that the other Party agree to terminate the provision(s) establishing such obligations; provided, however, that the provision(s) in question shall continue in force unless and until the Party requesting such termination receives written agreement from the other Party to terminate such provision(s).

XVIII. CONTRIBUTION PROTECTION

36. With regard to claims for contribution against Prospective Developer in relation to the subject matter of this Agreement, Prospective Developer is entitled to protection from such claims to the extent provided by N.C.G.S. § 130A-310.37(a)(5)-(6). The subject matter of this Agreement is all remediation taken or to be taken and response costs incurred or to be incurred by DENR or any other person in relation to the Property.

37. The Prospective Developer agrees that, with respect to any suit or claim for contribution brought by it in relation to the subject matter of this Agreement, it will notify DENR in writing no later than 60 days prior to the initiation of such suit or claim.

38. The Prospective Developer also agrees that, with respect to any suit or claim for contribution brought against it in relation to the subject matter of this Agreement, it will notify DENR in writing within 10 days of service of the complaint on it.

XIX. PUBLIC COMMENT

39. This Agreement shall be subject to a public comment period of at least sixty days starting the day after publication of the approved summary of the Notice of Intent to Redevelop a Brownfields Property required by N.C.G.S. § 130A-310.34 in the North Carolina Register, or the day after publication of the same in a newspaper of general circulation serving the area in which the Property is located, whichever occurs later. After expiration of that period, or following a public meeting if DENR holds one pursuant to N.C.G.S. § 130A-310.34(c), DENR may modify or withdraw its consent to this Agreement if comments received disclose facts or considerations which indicate that this Agreement is inappropriate, improper or inadequate.

IT IS SO AGREED:

NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

By:



Linda M. Culpepper
Deputy Director, Division of Waste Management

August 3, 2004
Date

IT IS SO AGREED:

Wede Properties, LLC

By:



Hans Wede
Member-Manager

Date

August 26-04

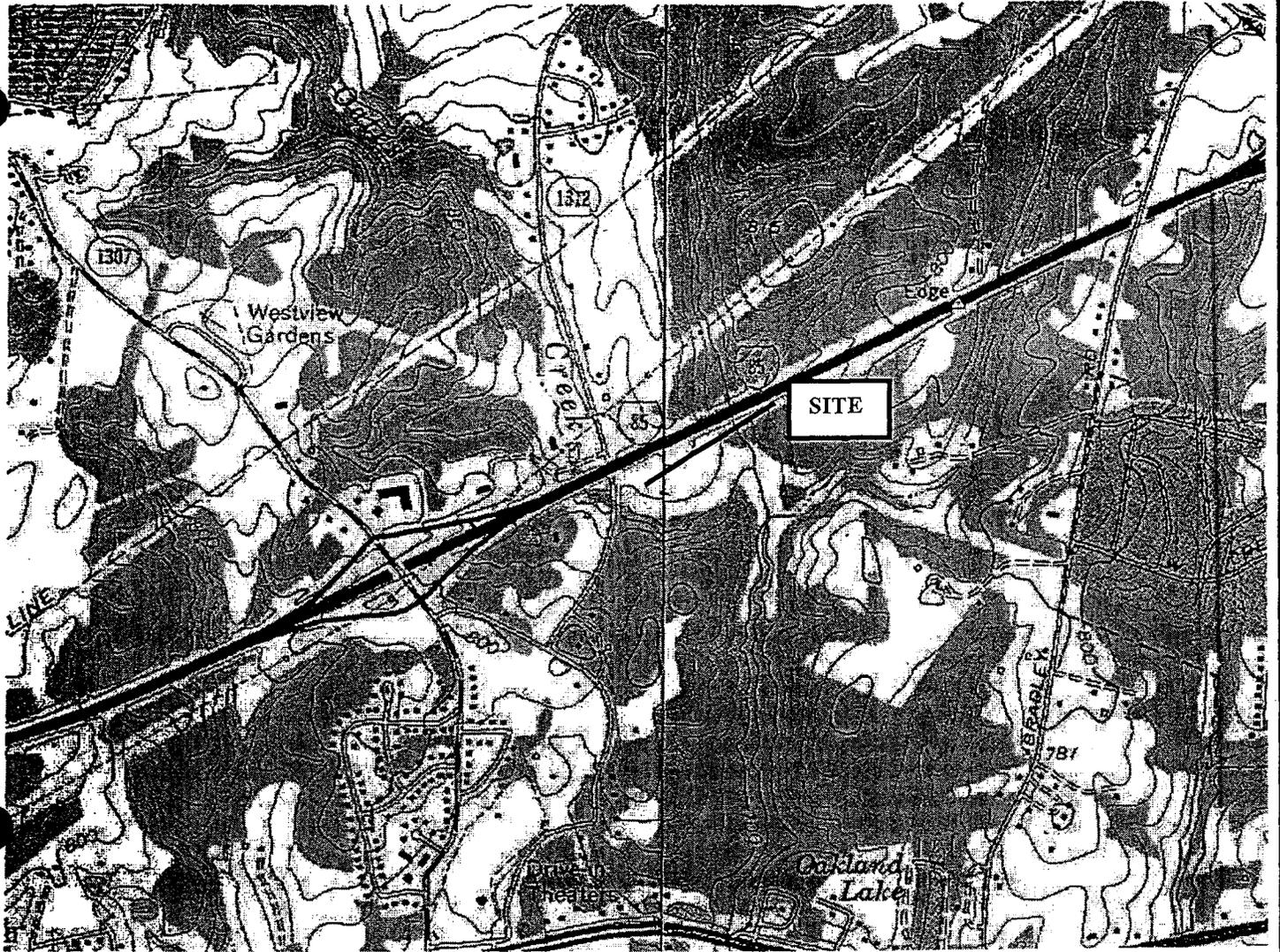


Figure 1 Site Vicinity Map

Former Quality Metal Products
1111 Oates Road
Gastonia, Gaston County, North Carolina

 **ASSOCIATES INC.**

3421-M St. Vardell Lane P (704) 529-3200
Charlotte, North Carolina F (704) 529-3272

ATC PROJECT No: 89. 223428.0332

EXHIBIT C

LEGAL DESCRIPTION

BEGINNING at a stake at a large white oak, which stake is the common corner of Walter Oates, Robert Gamble and S. L. Blalock (now or formerly), which stake is further situated South 52 degrees 57 minutes 32 seconds East 338.98 feet from the Southeastern margin of the right of way of Interstate Highway 85, and runs thence from said beginning point North 52 degrees 57 minutes 32 seconds West 338.98 feet to an iron in the said Southeastern margin of Interstate Highway 85; thence with the said Southeastern margin of the right of way of Interstate Highway 85 North 66 degrees 14 minutes 23 seconds East 1142.84 feet to a concrete monument in said right of way; thence South 32 degrees 37 minutes 10 seconds East 19.70 feet to a concrete monument in said right of way; thence North 66 degrees 23 minutes 16 seconds East 44.06 feet to an old iron; thence with the line of Mollie T. Pasour Estate and Joe David Carpenter (now or formerly) South 16 degrees 16 minutes 54 seconds East 573.32 feet to an old iron, a common corner of Robert E. Gamble (now or formerly); thence with the line of Robert E. Gamble (now or formerly) South 83 degrees 19 minutes 56 seconds West 993.82 feet to the point of beginning, and containing 10.702 acres, more or less.

PROPERTY ADDRESS: 1111 Oates Road, Gastonia, NC 28052

Gaston, NC
Alice B. Brown Register of Deeds
325 North Marietta Street
Gastonia, NC 28052
Phone Number: (704)862-7688
Fax Number: (704)862-7519

Official Receipt: 2004-00007978
Printed on 10/28/2004 at 09:08:42 AM
By: 68 on FEE5

J JEROME MILLER

Date Recorded: 10/28/2004

Instrument ID	Recorded Time	Amount
Bk 4073 Pg 2252	09:08:58 AM	\$98.00
MISCELLANEOUS RECORDINGS		
WEDE PROPERTIES LLC		
TO:WEDE PROPERTIES LLC		

Itemized Check Listing

Check # 12850	\$98.00
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Total Due:	\$98.00
Paid By Check:	\$98.00
Change Tendered:	\$0.00

HAVE A NICE DAY