EDENS

LEGAL DEPARTMENT

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JAN 2014
Brownfields

January 10, 2014

VIA FEDEX OVERNIGHT (919) 707-8382

David Peacock
Brownfields Program
NC Division of Waste Management
217 W. Jones Street, Room 3409-N
Raleigh, NC 27603

RE:	Brownfields Project #:	08015-04-60
	Brownfields Property:	Griffith Street, 536 Jetton Street
	Property Owner (in Whole Or in Part):	Davidson Residential (E&A), LLC

LAND USE RESTRICTIONS ("LUR") UPDATE FOR 2013

Dear Mr. Peacock:

At Jude Peck's request I am enclosing the LUR Update for Davidson Residential (E&A), LLC, which constitutes certification that the Notice remains recorded at the Mecklenburg County Register of Deeds office and that this entity is continuing to comply with the Land Use Restrictions for 2013.

Please feel free to contact me if you have any questions.

DAVIDSON RESIDENTIAL (E&A), LLC, a South Carolina limited liability company

By: Edens Realty, Inc., a South Carolina limited liability company, its sole member

By: _____
Mark A. Drogalis, Vice President-Legal
and as Attorney-In-Fact

MAD:jlm
Encl.

cc: Jude Peck, Investment Analyst

Brownfields Project #: 08015-04-60
Brownfields Property: Griffith Street, 536 Jetton Street
Property Owner (In whole or part): Davidson Residential (E&A), LLC, a South Carolina Limited Liability Company

LAND USE RESTRICTIONS ("LUR") UPDATE

LUR 1: No use may be made of the Brownfields Property other than for residences, commercial activities and schools. For purposes of this restriction, the following definitions apply:

a. "Residences" refers to permanent dwellings of any of the following types: single family, detached, duplex, triplex, quadriplex, attached or multifamily, manufactured home, mobile home, group home, boarding house or dormitory.

b. "Commercial" refers to an occupation, employment, or enterprise that is carried on for profit or not for profit by the owner, lessee, or licensee.

c. "Schools" refers to institutions, whether privately or publicly owned, providing pre-school, elementary school, middle school, junior high school, high school or college education, or daycare.

In compliance _X__ Out of compliance ____

Remarks: _____

LUR 2: Surface water and underground water at the Brownfields Property may not be used for any purpose without the approval of the Department of Environment and Natural Resources ("DENR").

In compliance __X__ Out of compliance ____

Remarks: _____

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LUR 3: 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 in any areas proposed for such activities, and submittal of the analytical results to DENR. If such results disclose to DENR contamination in excess of North Carolina's groundwater quality standards, the proposed activities may not occur without the approval of DENR on such conditions as DENR imposes, including at a minimum compliance with plans and procedures, approved pursuant to applicable law, to protect public health and the environment during the proposed activities.

In compliance __X_ Out of compliance ____

Remarks: _____

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LUR 4: Soil, including soil underlying buildings and paved surfaces, in the area denominated "Area of Potential Soil Contamination" on the plat component of the Notice of Brownfields Property ("Notice") may not be exposed without a minimum of ten (10) business days advance written notice to DENR, which may choose to inspect, and may require screening or sampling for contamination in, the exposed soil. If screening or sampling discloses contamination that DENR determines would make the Brownfields Property unsuitable for the uses specified in Land Use Restriction 1 above even if the soil is capped, the soil may not remain exposed without the approval of DENR on such conditions as it imposes, compliance with which shall be determined by DENR, to make the Brownfields Property suitable for the uses specified in Land Use Restriction 1 above. Such conditions shall include, at a minimum, preparation of and compliance with plans to protect public health and the environment while the soil is exposed, and may include without limitation a requirement that soil be removed and disposed of in accordance with applicable law. Alternatively, if DENR determines that such soil contamination would not make the Brownfields Property unsuitable for the uses specified in Land Use Restriction 1 above if the soil is capped, DENR may offer the option of capping the soil and perpetually maintaining the cap to DENR's written satisfaction, or removing and disposing of the soil in accordance with applicable law to the written satisfaction of DENR.

In compliance __X_ Out of compliance ____

Remarks: _____

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LUR 5: Unless compliance with this Land Use Restriction is waived in writing by DENR in advance in regard to particular buildings, no indoor space on the Brownfields Property may be occupied until mechanical ventilation with outdoor air is provided in compliance with the most current version of the Mechanical Ventilation section of the Ventilation chapter of the North Carolina State Building Code ("Code"), or another standard approved in writing in advance by DENR. If the choice is made to comply with the Code, then i. or ii. below, depending on the building, also applies:

a. This subparagraph applies to buildings on the Brownfields Property, as depicted on the plat component of the Notice, at the time the Notice is recorded.

   i. A professional engineer registered in North Carolina shall inspect the mechanical ventilation system and shall document any measures required to bring the system into compliance with the Code.

   ii. A North Carolina heating, ventilation and air-conditioning contractor shall implement any measures documented by the professional engineer.

   iii. An independent third party certified by the American Association of Balancing Contractors or the National Environmental Balancing Bureau shall perform testing, adjusting and balancing of the system when any work by the contractor is complete. Within seven (7) days after its issuance, a copy of the Certified Test and Balance Report shall be submitted to DENR.

   iv. No later than thirty (30) days prior to occupancy, the professional engineer shall provide DENR certification under seal that possible entrances for vapors, including without limitation foundation cracks, holes in concrete floors, gaps around pipes and utility lines, major cracks in walls, sumps and floor drains, have been sealed.

   v. No later than thirty (30) days prior to occupancy, the professional engineer shall provide DENR certification under seal that the ventilation system complies with the Code.

b. For buildings constructed on the Brownfields Property after recordation of the Notice, within thirty (30) days following installation of mechanical ventilation a professional engineer shall provide DENR

certification that the ventilation system was installed in accordance with design specifications and complies with the Code.

In compliance __X_ Out of compliance ____

Remarks: _____

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LUR 6: No building may be constructed on the Brownfields Property until DENR has been consulted regarding the proximity of the planned building to the Brownfields Property's volatile contaminant plume. If DENR determines that the footprint of the building would fall within one hundred (100) feet of said plume, it may not be constructed without a vapor barrier system and/or mechanical or passive vapor barrier mitigation system, at DENR's discretion, installed in accordance with a plan approved in writing in advance by DENR. Unperforated sheeting at least six (6) mils thick, a spray membrane liner system consisting of a material resistant to the contaminants listed in the tables appearing in "(2)" of the Notice, or another vapor barrier system may be proposed. No vapor barrier shall be approved that is not to be installed under the entire slab-on-grade foundation of the building, and sealed around any vertical pilings and other support structures underneath the slab, overlapped, and taped, glued or otherwise stabilized, so as to minimize air migration pathways. Within thirty (30) days following installation of the vapor barrier system and/or vapor mitigation system, DENR shall be provided certification of proper installation under the seal of a professional engineer registered in North Carolina, as well as photographs illustrating the installation and a brief narrative describing it.

In compliance __X_ Out of compliance ____

Remarks: _____

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LUR 7: No basements may be constructed on the Brownfields Property until DENR has been consulted regarding the proximity of the planned basement to the Brownfields Property's volatile contaminant plume. If DENR determines that the footprint of the basement would fall within one hundred (100) feet of said plume, it may construct the basement only in compliance with such conditions as DENR may impose, which may include without limitation vapor barriers, vapor mitigation systems and mechanical ventilation.

In compliance __X_ Out of compliance ____

Remarks: _____

LUR 8: None of the contaminants known to be present in the environmental media at the Brownfields Property, including those listed in the tables appearing in "(2)" of the Notice, may be used or stored at the Brownfields Property without the prior approval of DENR , except (i) in *de minimis* amounts for cleaning and other routine housekeeping activities; (ii) as constituents of fuel customarily used in vehicles and landscaping equipment; and (iii) as constituents of products customarily offered for sale in retail grocery stores, drug stores, photo processing operations, retail paint and wallpaper stores and similar businesses typically operating in retail shopping centers, so long as such products are stored, used and disposed of in compliance with all applicable laws and regulations.

In compliance _X_ Out of compliance ____

Remarks: _____

LUR 9: No party conducting environmental assessment or remediation at the Brownfields Property at the direction of, or pursuant to a permit or order issued by, DENR may be denied access to the Brownfields Property for purposes of conducting such assessment or remediation.

In compliance _X_ Out of compliance ____

Remarks: _____

LUR 10: During January of each year after the Notice is recorded, the then current owner of any part of the Brownfields Property shall submit a notarized Land Use Restrictions Update to DENR certifying that the Notice remains recorded at the Mecklenburg County Register of Deeds office, and that the land use restrictions are being complied with.

In compliance _X_ Out of compliance ____

Remarks: See prior LUR Updates and Letters dated Jan 21, 2010 and June 11, 2012 for compliance certifications and disclosures/clarifications as to compliance for years prior to this update. This LUR Update covers updates for 2013.

Notarized signing and submittal of this Land Use Restrictions Update constitutes certification that the Notice remains recorded at the Mecklenburg County Register of Deeds office and that the Land Use Restrictions are being complied with.

This Land Use Restrictions Update is certified by _____, owner of at least part of the Brownfields Property.

Name typed or printed of party making certification: _____

In the case of owners that are entities: See Attached Signature Page

Signature of individual signing: ____See attached signature page _____
Name typed or printed: ____Mark A. Drogalis _____
Title: ____Vice President-Legal and as Attorney-In-Fact_

In the case of all owners:

Date: January 10, 2014

DAVIDSON RESIDENTIAL (E&A), LLC, a South Carolina limited liability company

By: Edens Realty, Inc., a South Carolina corporation, its sole member

By: _____
Mark A. Drogalis, Vice President-Legal and as Attorney-In-Fact

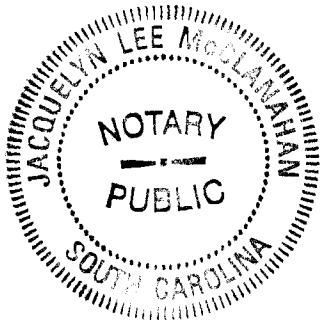
SOUTH CAROLINA
RICHLAND COUNTY

I, Jacquelyn L. McClanahan, a Notary Public of the county and state aforesaid, certify that Mark A. Drogalis personally came before me this day and acknowledged that he is Vice President-Legal and Attorney-In-Fact of Edens Realty, Inc., a South Carolina corporation, which is the sole member of Davidson Residential (E&A), LLC, a South Carolina limited liability company, and that by authority duly given and as the act of the limited liability company, the foregoing Land Use Restriction Update was signed in its name by him.

WITNESS my hand and official stamp or seal, this _10th_ day of _January_, 2014.

_____
Name typed or printed: Jacquelyn L. McClanahan
Notary Public for South Carolina

My Commission expires: 12/3/23



[Stamp/Seal]