



39 Presenter Michael McCulley IS Ret: IS
 Total 127 Rev. MR
 Ck \$ 189 Ck # 5104 Cash \$ _____
 Refund: _____ Cash \$ _____ Finance _____
 Portions of document are illegible due to condition of original. \$25.00
 Document contains seals verified by original. non-standard
 Document that cannot be reproduced or copied. fee

Property Owner: Eastbrook, LLC
 Recorded in Book _____, Page _____
 Associated plat recorded in Plat Book _____, Page _____

NOTICE OF BROWNFIELDS PROPERTY

This documentary component of a Notice of Brownfields Property (“Notice”), as well as the plat component, have been filed this _____ day of _____, 2013 by Eastbrook, LLC (hereafter “Prospective Developer”).

This Notice concerns 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 the Prospective Developer’s name.

The subject property comprises 91.37 acres and is located in Navassa, Brunswick County, North Carolina. A portion of the tract was first developed in 1974 as a wood preserving and treating facility by Carolina Creosoting Corporation (hereinafter “CCC”). Soil was contaminated with wood treating chemicals, predominantly creosote and pentachlorophenol. The U.S. Environmental Protection Agency performed a large scale cleanup at the property between 1992 and 1995. Eastbrook, LLC proposes to use the subject property for commercial, industrial, and/or other non-residential uses which may include a rail terminal for off-loading



materials from rail cars, and may additionally include silviculture and/or conservation related uses for the previously undeveloped portions of the tract has been documented at the site and may still be present.

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 as Exhibit B to this Notice is a reduction, to 8 ½" x 11", of the survey plat component of this Notice. This plat shows areas designated by DENR, has been prepared and certified by a professional land surveyor, meets the requirements of NCGS § 47-30, and complies with NCGS § 130A-310.35(a)'s requirement that the Notice identify:

- (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 the one substance:

Groundwater

Groundwater contaminants in micrograms per liter (the equivalent of parts per billion), the standards for which are contained in Title 15A of the North Carolina Administrative Code, Subchapter 2L, Rule .0202(2L), (April 1, 2013 version):

Groundwater Contaminant	Sample Location	Sampling Date	Concentration Exceeding Standard (µg/L)	2L Standard (µg/L)
Naphthalene	Former Todd supply well	March 8, 1993	130	6
Naphthalene	Former Todd supply well	October 13, 1994	87	6

Soil

Soil contaminants in milligrams per kilogram (the equivalent of parts per million), the screening levels for which are derived from the Preliminary Industrial Residential Health-Based Remediation Goals of the Inactive Hazardous Sites Branch of DENR's Superfund Section (January 2014 version):



Soil Contaminant	Sample Location	Depth (feet)	Sampling Date	Concentration Exceeding Screening Level (mg/kg)	Industrial Screening Level ¹ (mg/kg)
Benzo(a)pyrene	AOC-8/S-1	1 - 2	May 1, 2013	2.67 ^J	0.21
	AOC-1/S-1 (pond sediment)	1 - 2	April 30, 2013	0.292 ^J	
	AOC-7/S-1	1 - 2	April 30, 2013	0.526	
Dibenz(a,h)anthracene	AOC-8/S-1	1 - 2	May 1, 2013	0.885 ^J	0.21
Benzo(a)anthracene	AOC-8/S-1	1 - 2	May 1, 2013	3.67 ^J	2.1
Benzo(b)fluoranthene	AOC-8/S-1	1 - 2	May 1, 2013	4.57	2.1
Pentachlorophenol	AOC-8/S-1	1 - 2	May 1, 2013	37.00	2.7

¹ Screening levels displayed for non-carcinogens are for hazard quotient equal to 0.2. Screening levels displayed for carcinogens are for 1.0E-6 lifetime incremental cancer risk target.

^J Estimated concentration.

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). All references to DENR shall be understood to include any successor in function. The restrictions are hereby imposed on the Brownfields Property, and are as follows:**

1. No use may be made of the Property other than for non-residential commercial, light industrial, silviculture or land conservation purposes, as limited by the other Land Use Restrictions and the following definitions:

a. "Non-Residential Commercial" refers to an occupation, employment or enterprise carried on for profit by the owner, lessee or licensee, as limited by the other land use restrictions below.

b. "Light Industrial" refers to the assembly, fabrication or processing of goods and materials, entirely within a building, using processes that ordinarily do not create noise, smoke,



fumes, odors, glare, or health or safety hazards outside of the building or property where such assembly, fabrication or processing takes place.

c. "Silviculture" refers to growing trees and associated activities such as planting and harvesting.

d. "Conservation" refers to wetland creation for the purpose of selling wetland mitigation credits or other such activities related to protecting natural environments or resources.

2. No activity that disturbs or exposes soil on the Property in the "Area of Potential Soil Contamination" as delineated on the plat component of this Notice, including without limitation the demolition or removal of concrete slabs, dikes and containment areas; soil excavation; and the installation of building footers and infrastructure, may occur unless and until DENR states in writing, in advance of the proposed activity, that said activity may occur if carried out along with any measures DENR deems necessary to ensure the Property will be suitable for the uses specified in land use restriction 1 above while fully protecting public health and the environment, except in connection with mowing and pruning of above-ground vegetation and emergency repair of underground infrastructure, provided that DENR shall be given written notice (if only by email) of any such emergency repair no later than the next business day, and that any related assessment and remedial measures required by DENR shall be taken.

3. Absent compliance with a plan, approved in writing by DENR in advance, for managing substances containing contaminants known to be or have been present in the environmental media at the Property such that, should a release of those substances occur at the Property, the subject contaminants in that release would be distinguishable with certainty from the subject contaminants in any known release at the Property that predates the Brownfields Agreement (attached as Exhibit A hereto), none of the subject contaminants, including without limitation those listed in paragraph 6 of Exhibit A hereto, may be used or stored at the Property without the prior written approval of DENR, except in *de minimis* amounts for: cleaning, other routine housekeeping, as components in prepackaged materials used or sold in connection with uses permitted under this Agreement, and vehicle maintenance and service in compliance with applicable law.

4. The portion of the Property formerly used for wood treating and delineated on the plat component of this Notice as the "Area of Potential Soil Contamination", may not be used for agriculture or grazing without the prior written approval of DENR.

5. The portion of the Property formerly used for wood treating and delineated on the plat component of this Notice as the "Area of Potential Soil Contamination", may not be used as a playground, or for child care centers or schools without the prior written approval of DENR.

6. The portion of the Property formerly used for wood treating and delineated on the plat component of this Notice as the "Area of Potential Soil Contamination", 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 prior written approval of DENR.

7. Neither DENR, nor any party conducting environmental assessment or remediation at the Property at the direction of, or pursuant to a permit, order or agreement issued or entered into



by DENR, may be denied access to the Property for purposes of conducting such assessment or remediation, which is to be conducted using reasonable efforts to minimize interference with authorized uses of the Property.

8. During January of each year after the year in which this Notice is recorded, the owner of any part of the Property as of January 1st of that year shall submit a notarized Land Use Restrictions Update ("LURU") to DENR, and to the chief public health and environmental officials of Brunswick County, certifying that, as of said January 1st, the Notice of Brownfields Property containing these land use restrictions remains recorded at the Brunswick County Register of Deeds office and that the land use restrictions are being complied with, and stating:

a. the name, mailing address, telephone and facsimile numbers, and contact person's e-mail address of the owner submitting the LURU if said owner acquired any part of the Property during the previous calendar year; and

b. the transferee's name, mailing address, telephone and facsimile numbers, and contact person's e-mail address, if said owner transferred any part of the Property during the previous calendar year.

For purposes of the land use restrictions set forth above, the DENR point of contact shall be the DENR official referenced in subparagraph 37.a. of Exhibit A hereto, at the address stated therein.

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 Notice 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 21 day of MARCH, 2014 *EAR*



Eastbrook, LLC

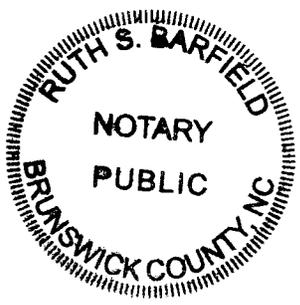
By: *E G Dale*
E. G. Dale
Managing Member

NORTH CAROLINA
Brunswick COUNTY

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated:

E G Dale
Date: 3/11

Ruth S Barfield
Official Signature of Notary



(Official Seal)

Ruth S Barfield
Notary's printed or typed name, Notary Public
My commission expires: 3/26/2015

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

March 14, 2014
Date



Brunswick County, NC Register

B3514 P0538

04-02-2014 10:18:43.000
Brenda M. Clemmons PROP
of Deeds page 7 of 39

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 Brunswick 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: Eastbrook, LLC

UNDER THE AUTHORITY OF THE)	BROWNFIELDS AGREEMENT re:
BROWNFIELDS PROPERTY REUSE ACT)	Carolina Creosoting Site
OF 1997, N.C.G.S. § 130A-310.30, <u>et seq.</u>)	Eastbrook Drive, Navassa
Project No. 08020-04-10)	Brunswick County

I. INTRODUCTION

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

This Agreement concerns property that comprises 91.37 acres and is located in Navassa, Brunswick County, North Carolina, in the state’s coastal plain region. A portion of the tract was first developed in 1974 as a wood preserving and treating facility by Carolina Creosoting Corporation (hereinafter “CCC”). It has been idle since 1984. Environmental media on the land were contaminated with wood treating chemicals, predominantly creosote and pentachlorophenol. The U.S. Environmental Protection Agency performed a large scale cleanup there between 1992 and 1995. Eastbrook, LLC proposes to use the subject property for commercial, industrial, and/or other non-residential uses which may include a rail terminal for off-loading materials from rail cars, and may additionally include silvaculture and/or conservation related uses for the previously undeveloped portions of the tract. Eastbrook, LLC is a North Carolina chartered business headquartered in Navassa, Brunswick County, North Carolina. 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 Eastbrook, LLC for contaminants at the property which is the subject of this Agreement.

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

The resolution of this potential liability, in exchange for the benefit Eastbrook, 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 depicted in Exhibit 1 to the Agreement.
2. "Prospective Developer" shall mean Eastbrook, LLC.

III. STATEMENT OF FACTS

3. The Property comprises 91.37 acres. Prospective Developer has committed itself to redevelopment of the Property for no uses other than: (1) non-residential commercial and/or industrial use, including a possible rail terminal at the approximately 10 acre portion of the site formally used by CCC for wood treating, as delineated on the plat component of the Notice



referenced in paragraph 22 below; and (2) non-residential commercial, industrial, silvaculture and/or conservation related uses of the remaining approximately 80 acres of previously undeveloped land.

4. The Property is bordered to the north by tracks of the Seaboard Coast Line Railroad Company, beyond which lies undeveloped land zoned for rural residential use, to the south by woodland and residential properties, to the east by woodland zoned for light industrial use, and to the west by a drainage ditch, Rowel Branch Creek, beyond which lies largely undeveloped land zoned for heavy industrial use. The Property is zoned industrial.

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

Title	Prepared by	Date of Report
Report of Findings with Recommendations, revised	Applied Resource Management, P.C.	July 25, 2013
Brownfields Area Reconnaissance and Receptor Survey for Nancy S. Smith Trustee Property	Applied Resource Management, P.C.	August 5, 2005
Letter Report: Carolina Creosoting Corporation	ENSCI Engineering Group, P.A.	April 14, 1999
Site Inspection Prioritization Report	North Carolina Division of Solid Waste Management	December 5, 1994
Carolina Creosoting Site Inspection Report	North Carolina Solid and Hazardous Waste Management Branch	May 1987
Summary of Activities and Closure Certification of Hazardous Waste Surface Impoundment & Land Treatment Site	Moore, Gardner & Associates, Inc.	April 1984
Surface Impoundment Closure Alternatives for Carolina Creosoting	Moore, Gardner & Associates, Inc.	July 1982
Groundwater Monitoring and Chemical Analysis of Groundwater	S&ME, Inc.	January 1982

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

a. A wood preserving and treating plant was operated on approximately 10 acres of the western portion of the Property from 1974 until 1984, since which time the Property has been unused. The facility was owned and operated by Carolina Creosoting Corporation, which was founded by Robert T. Smith. In 1983, following the death of Mr. Smith, North Pole Company, Inc. purchased the business and operated briefly on the Property; a Trust created by the will of Robert T. Smith retained ownership of the Property until the property conveyed to Nancy S. Smith, Mr. Smith's wife. Prospective Developer purchased the Property on September 16, 2010.

b. The wood treating operation included a main production area with 10 or more aboveground storage tanks, diked storage tank and chemical storage areas, two lagoons (one unlined) used for wastewater and creosote sludge disposal, burn pit areas, a treated wood storage area, and an area where sludge and contaminated soil were spread in an effort to biologically treat the waste material (the "landfarm area").

c. Operations at the Property included the use of creosote, which is a mixture of predominantly polynuclear aromatic hydrocarbons ("PAHs") and pentachlorophenol ("PCP"). Several hazardous substances were released into the soil and groundwater.

7. The following constitutes some environmental and regulatory history regarding the Property:

a. Environmental testing was conducted at the Property between May 1984 and October 2005. Test results have historically indicated the presence of PCP, naphthalene and



other PAH components of creosote in soil and groundwater.

b. In 1983, contaminated soil and sludge from a surface impoundment and spill area at the Property were applied to the landfarm area on the Property in an effort to bioremediate the contaminated materials. Approximately 10,800 cubic feet of contaminated soil and 500 cubic feet of sludge were excavated from the impoundment and spill area, respectively. Approximately 1500 gallons of contaminated water were also applied to the landfarm area.

c. May 30, 1984 sampling of Rowel Branch Creek and the drainage ditch on the western edge of the property, and of a ditch draining the landfarm area, indicated the presence of PCP but the concentrations cited are unreliable due to laboratory methods used at the time.

d. Sediment and surface water samples were collected in 1987 from Rowel Branch Creek and the drainage ditch near the western Property boundary. PCP and PAHs were not detected in these samples. Sediment samples from Rowel Branch Creek were analyzed again in 1994 and results were again “nondetect” for PCP and PAHs.

e. Several post-land application sampling events in the landfarm area indicated that the contaminants were not undergoing sufficient biodegradation to reduce the contaminant levels at the Property to acceptable levels.

f. In 1984, DENR referred the site to the U.S. Environmental Protection Agency (“EPA”) for the conduct of activities to remove contaminants from the Property.

g. From November 1992 through November 1995, EPA conducted removal activities at the Property. The activities included:

- i. removal and disposal of the storage tanks and their contents,
- ii. removal and disposal of creosote and PCP-contaminated sludge and water from the area surrounding the storage tanks,

iii. excavation and disposal of the upper four to five feet of soil/sludge from the landfarm area, where creosote-contaminated soil had been applied to the land in an effort to bioremediate it, and

iv. backfilling of excavated areas with clean fill material.

h. EPA's removal action included the excavation and disposal of approximately 8100 tons of creosote and PCP-contaminated soil and sludge, 21,300 gallons of contaminated liquid waste and 1245 gallons of waste oil.

i. On February 21, 1995, based on the December 5, 1994 Environmental Report titled "Site Inspection Prioritization Report," EPA concluded that no further remedial activities were required at the Property.

j. In 1999, DENR effected recordation at the Brunswick County Register of Deeds' office of a "Notice of Inactive Hazardous Substance or Waste Disposal Site" regarding the Property.

k. On July 19, 2005, a temporary monitoring well was installed in approximately the upper five (5) feet of the surficial aquifer in the vicinity of historic wood treating activities. Analysis of a groundwater sample collected did not indicate the presence of any organic contaminants, including PAHs or PCP.

l. Shallow groundwater was again sampled on July 19, 2005 and May 6, 2013. No contaminants of concern were detected in the groundwater at those times.

8. The most recent environmental sampling at the Property was the testing of soil, groundwater and pond sediment on April 30 and May 1, 2013. No contaminants were detected in groundwater or surface water (pond water) above the applicable standards. PAHs and PCP were detected in soil in concentrations exceeding residential use screening levels and a few



contaminants of concern were detected in excess of the industrial use screening levels. Arsenic and a PAH were detected in the pond sediment sample in concentrations which slightly exceed the applicable industrial screening level. The following tables set forth, for the contaminants detected above applicable standards or screening levels subsequent to a large cleanup effort at the Property, the concentrations found and the applicable standard or screening level.

a. Groundwater contaminants in micrograms per liter (the equivalent of parts per billion), the standards for which are contained in Title 15A of the North Carolina Administrative Code, Subchapter 2L, Rule .0202(2L), (April 1, 2013 version):

Groundwater Contaminant	Sample Location	Sampling Date	Concentration Exceeding Standard (µg/L)	2L Standard (µg/L)
Naphthalene	Former Todd supply well	March 8, 1993	130	6
Naphthalene	Former Todd supply well	October 13, 1994	87	6

b. Soil contaminants in milligrams per kilogram (the equivalent of parts per million), the screening levels for which are derived from the Preliminary Industrial Residential Health-Based Remediation Goals of the Inactive Hazardous Sites Branch of DENR's Superfund Section (January 2014 version):

Soil Contaminant	Sample Location	Depth (feet)	Sampling Date	Concentration Exceeding Screening Level (mg/kg)	Industrial Screening Level ¹ (mg/kg)
Benzo(a)pyrene	AOC-8/S-1	1 - 2	May 1, 2013	2.67 ^J	0.21
	AOC-1/S-1 (pond sediment)	1 - 2	April 30, 2013	0.292 ^J	



	AOC-7/S-1	1 - 2	April 30, 2013	0.526	
Dibenz(a,h,)anthracene	AOC-8/S-1	1 - 2	May 1, 2013	0.885 ^J	0.21
Benzo(a)anthracene	AOC-8/S-1	1 - 2	May 1, 2013	3.67 ^J	2.1
Benzo(b)flouranthene	AOC-8/S-1	1 - 2	May 1, 2013	4.57	2.1
Pentachlorophenol	AOC-8/S-1	1 - 2	May 1, 2013	37.00	2.7

¹ Screening levels displayed for non-carcinogens are for hazard quotient equal to 0.2. Screening levels displayed for carcinogens are for 1.0E-6 lifetime incremental cancer risk target.

^J Estimated concentration.

9. 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 (application) dated July 10, 2004, preparing and submitting to DENR a Brownfields Property Application (revised application) dated April 4, 2011, and purchasing the Property on September 16, 2010.

10. Prospective Developer has provided DENR with information, or sworn certifications regarding that information on which DENR relies for purposes of this Agreement, sufficient 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.

11. Prospective Developer has paid to DENR the \$2,000 fee to seek a brownfields agreement required by N.C.G.S. § 130A-310.39(a)(1), and shall make a payment to DENR of \$3,500 at the time Prospective Developer and DENR enter into this Agreement, defined for this purpose as occurring no later than the last day of the public comment period related to this Agreement. The Parties agree that the second payment shall constitute, within the meaning of N.C.G.S. § 130A-310.39(a)(2), the full cost to DENR and the North Carolina Department of Justice of all activities related to this Agreement, unless a change is sought to a Brownfield document after it is in effect, or additional services are required such as expedited review of a plan, in which case there shall be an additional fee of at least \$1,000.

IV. BENEFIT TO COMMUNITY

12. 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,
- c. the creation of approximately 15 jobs during redevelopment and 6 fulltime jobs,
- d. tax revenue for affected jurisdictions, and



e. "smart growth" through use of already developed land.

V. WORK TO BE PERFORMED

13. Prospective Developer shall comply with DENR's UST Section requirements in assessing and closing any UST(s) discovered at the Property. Within seven (7) days after receiving from DENR's UST Section "no further action" documentation regarding the UST(s) found, or other confirmation of their satisfactory closure, Prospective Developer shall provide a copy of such documentation to DENR.

14. Unless DENR determines in writing it is impracticable to locate the well after Prospective Developer uses best efforts to do so, as determined by DENR, Prospective Developer shall, within 60 days after the effective date of this Agreement, locate the water supply well known to have been formerly used on the Property and referred to in the files of DENR's Inactive Hazardous Sites Branch ("IHSB") as the former Todd Residence potable well. Within 60 days after locating the well, Prospective Developer shall abandon it in accordance with Subchapter 2C of Title 15A of the North Carolina Administrative Code. Within 30 days after the well abandonment, Prospective Developer shall provide DENR a report, subject to DENR approval, setting forth the procedures and results, including all well abandonment records.

15. In redeveloping the Property, Prospective Developer shall make reasonable efforts to apply sustainability principles at the Property, using the nine (9) areas incorporated into the U.S. Green Building Council Leadership in Energy and Environmental Design certification program (Sustainable Sites, Water Efficiency, Energy & Atmosphere, Materials & Resources, Indoor Environmental Quality, Locations & Linkages, Awareness & Education, Innovation in Design and Regional Priority), or a similar program.



16. 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 Section IX of this Agreement (DENR's Covenant Not to Sue and Reservation of Rights), DENR is not requiring Prospective Developer to perform active remediation at the Property.

17. By way of the Notice of Brownfields Property referenced below in paragraph 22, Prospective Developer shall impose the following land use restrictions under the Act, running with the land, to make the Property suitable for the uses specified in this Agreement while fully protecting public health and the environment, instead of remediation to unrestricted use standards. All references to DENR shall be understood to include any successor in function.

a. No use may be made of the Property other than for non-residential commercial, light industrial, silviculture or land conservation purposes, as limited by the other Land Use Restrictions and the following definitions:

i. "Non-Residential Commercial" refers to an occupation, employment or enterprise carried on for profit by the owner, lessee or licensee, as limited by the other land use restrictions below.

ii. "Light Industrial" refers to the assembly, fabrication or processing of goods and materials, entirely within a building, using processes that ordinarily do not create noise, smoke, fumes, odors, glare, or health or safety hazards outside of the building or property where such assembly, fabrication or processing takes place.

iii. "Silviculture" refers to growing trees and associated activities such as planting and harvesting.



iv. "Conservation" refers to wetland creation for the purpose of selling wetland mitigation credits or other such activities related to protecting natural environments or resources.

b. No activity that disturbs or exposes soil on the Property in the "Area of Potential Soil Contamination" as delineated on the Notice of Brownfields Property referenced below in paragraph 22, including without limitation the demolition or removal of concrete slabs, dikes and containment areas; soil excavation; and the installation of building footers and infrastructure, may occur unless and until DENR states in writing, in advance of the proposed activity, that said activity may occur if carried out along with any measures DENR deems necessary to ensure the Property will be suitable for the uses specified in subparagraph 17.a. above while fully protecting public health and the environment, except in connection with ~~mowing and pruning of above-ground vegetation and emergency repair of underground~~ infrastructure, provided that DENR shall be given written notice (if only by email) of any such emergency repair no later than the next business day, and that any related assessment and remedial measures required by DENR shall be taken.

c. Absent compliance with a plan, approved in writing by DENR in advance, for managing substances containing contaminants known to be or have been present in the environmental media at the Property such that, should a release of those substances occur at the Property, the subject contaminants in that release would be distinguishable with certainty from the subject contaminants in any known release at the Property that predates this Agreement, none of the subject contaminants, including without limitation those listed in paragraph 6, may be used or stored at the Property without the prior written approval of DENR, except in *de minimis* amounts for: cleaning, other routine housekeeping, as components in prepackaged materials used



or sold in connection with uses permitted under this Agreement, and vehicle maintenance and service in compliance with applicable law.

d. The portion of the Property formerly used for wood treating and delineated on the plat component of the Notice of Brownfields Property referenced below in paragraph 22 below as the “Area of Potential Soil Contamination”, may not be used for agriculture or grazing without the prior written approval of DENR.

e. The portion of the Property formerly used for wood treating and delineated on the plat component of the Notice of Brownfields Property referenced below in paragraph 22 below as the “Area of Potential Soil Contamination”, may not be used as a playground, or for child care centers or schools without the prior written approval of DENR.

f. The portion of the Property formerly used for wood treating and delineated on the plat component of the Notice of Brownfields Property referenced below in paragraph 22 below as the “Area of Potential Soil Contamination”, 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 prior written approval of DENR.

g. Neither DENR, nor any party conducting environmental assessment or remediation at the Property at the direction of, or pursuant to a permit, order or agreement issued or entered into by DENR, may be denied access to the Property for purposes of conducting such assessment or remediation, which is to be conducted using reasonable efforts to minimize interference with authorized uses of the Property.

h. During January of each year after the year in which the Notice referenced below in paragraph 22 is recorded, the owner of any part of the Property as of January 1st of that year shall submit a notarized Land Use Restrictions Update (“LURU”) to DENR, and to the chief



public health and environmental officials of Brunswick County, certifying that, as of said January 1st, the Notice of Brownfields Property containing these land use restrictions remains recorded at the Brunswick County Register of Deeds office and that the land use restrictions are being complied with, and stating:

i. the name, mailing address, telephone and facsimile numbers, and contact person's e-mail address of the owner submitting the LURU if said owner acquired any part of the Property during the previous calendar year; and

ii. the transferee's name, mailing address, telephone and facsimile numbers, and contact person's e-mail address, if said owner transferred any part of the Property during the previous calendar year.

18. 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.

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

20. The consequence of achieving the desired results will be that the property will be suitable for the uses specified in the Agreement while fully protecting public health and the environment. The consequence of not achieving the desired results will be that modifications to land use restrictions and/or remediation in some form may be necessary to fully protect public health and/or the environment.

VI. ACCESS/NOTICE TO SUCCESSORS IN INTEREST



21. In addition to providing access to the Property pursuant to subparagraph 17.g. above, Prospective Developer shall provide DENR, its authorized officers, employees, representatives, and all other persons performing response actions under DENR oversight, access at all reasonable times to other property controlled by Prospective Developer in connection with the performance or oversight of any response actions at the Property under applicable law. While Prospective Developer owns the Property, DENR shall provide reasonable notice to Prospective Developer of the timing of any response actions to be undertaken by or under the oversight of DENR at the Property. Except as may be set forth in the 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.

22. 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 and a survey plat of the Property. 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 Brunswick County, North Carolina, Register of Deeds' office. Within three (3) days thereafter, Prospective Developer shall furnish DENR a copy of the documentary component of the Notice containing a certification by the Register of Deeds as to the Book and Page numbers where both the documentary and plat components of the Notice are recorded, and a copy of the plat with notations indicating its recordation.

23. 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 Brunswick County land records, Book _____, Page _____.”

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.

24. The Prospective Developer shall ensure that a copy of this Agreement is provided to any current lessee or sublessee on the Property within seven days of the effective date of this Agreement and shall ensure that, to the extent it can legally do so, any subsequent leases, subleases, assignments or transfers of the Property or an interest in the Property are consistent with this Section (Access/Notice To Successors In Interest), Section V (Work to be Performed) and Section XI (Parties Bound & Transfer/Assignment Notice) of this Agreement.

VII. DUE CARE/COOPERATION

25. The Prospective Developer shall exercise due care at the Property with respect to the manner in which regulated substances are handled at the Property 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. 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 143-215.85, 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



26. 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 (application) dated July 10, 2004, and a Brownfields Property Application (revised application) dated April 4, 2011, by which it applied for this Agreement. Those uses are non-residential commercial, silvaculture, land conservation and/or industrial uses. 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 past use of regulated substances or known contaminants 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

27. Unless any of the following apply, 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 in a material way.
- 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 unrestricted use 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 unrestricted use standards, unless this Agreement is amended to include any previously unreported contaminants and any additional areas of contamination. If new information indicates the existence of previously unreported areas of 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.

28. Except as may be provided herein, DENR reserves its rights against Prospective Developer as to liabilities beyond the scope of the Act.

29. This Agreement does not waive any applicable requirement to obtain a permit, license or certification, or to comply with any and all other applicable law, including the North Carolina Environmental Policy Act, N.C.G.S. § 113A-1, et seq.

30. Consistent with N.C.G.S. § 130A-310.33, the liability protections provided herein, and any statutory limitations in paragraphs 29 through 30 above, apply to all of the persons listed in N.C.G.S. § 130A-310.33, including future owners of the property, to the same extent as Prospective Developer, so long as these persons are not otherwise potentially responsible parties or parents, subsidiaries, or affiliates of potentially responsible parties.

X. PROSPECTIVE DEVELOPER'S COVENANT NOT TO SUE

31. 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

32. 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.

XII. DISCLAIMER

33. 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.

34. Except for the Land Use Restrictions set forth in paragraph 17 above and N.C.G.S. § 130A-310.33(a)(1)-(5)'s provision of the Act's liability protection to certain persons to the same extent as to a prospective developer, no rights, benefits or obligations conferred or imposed upon Prospective Developer under this Agreement are conferred or imposed upon any other person.

XIII. DOCUMENT RETENTION

35. 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 six (6) years following the effective date of this Agreement, unless otherwise agreed to in writing by the Parties. At the end of six (6) 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. To the extent DENR retains any copies of such documents, Prospective Developer retains all rights it then may have to seek protection from disclosure of such documents as confidential business information.

XIV. PAYMENT OF ENFORCEMENT COSTS



36. 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 reasonably incurred by DENR to enforce this Agreement or otherwise obtain compliance.

XV. NOTICES AND SUBMISSIONS

37. 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:

Lisa Taber
N.C. Division of Waste Management
Brownfields Program
401 Oberlin Road, Suite 150
Raleigh, NC 27605

b. for Prospective Developer:

Michael D. McCulley, Jr.
Michael D. McCulley, Jr., P.A.
6102 Lydden Road
Wilmington, NC 28409

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

38. 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

39. 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

40. 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.

41. 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.

42. 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

43. This Agreement shall be subject to a public comment period of at least 30 days starting the day after the last to occur of the following: 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 a newspaper of general circulation serving the area in which the Property is located, conspicuous posting of a copy of said summary at the Property, and mailing or delivery of a copy of the summary to each owner of property contiguous to the Property. 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

March 14, 2014

Date

IT IS SO AGREED:

By:

E. G. Dale
Managing Member
Eastbrook, LLC

4-2-2014

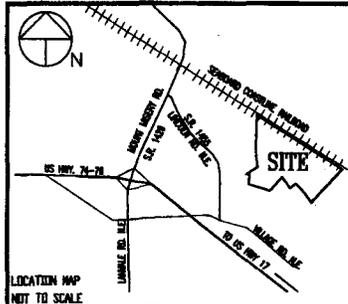
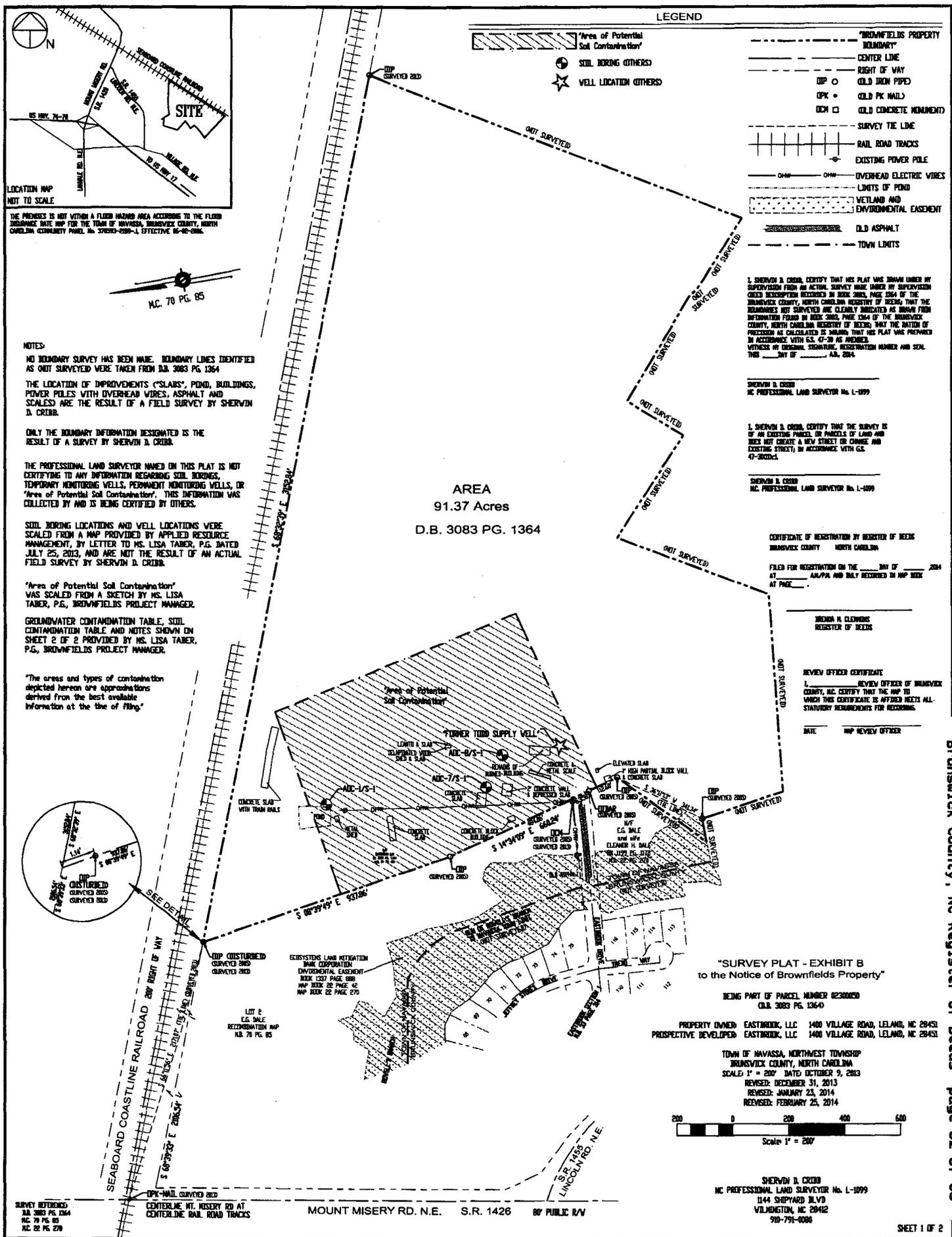
Date

Exhibit 1



 Applied Resource Management PC P.O. Box 882, Hampstead, NC 28443 (910) 270-2919 FAX 270-2988	TITLE: SITE VICINITY MAP		FIGURE: 1	
	JOB: 0325	SCALE: 1"=2,000'	DATE: 4/13/05	DRAWN BY: KLC

EXHIBIT B: FULL-SIZE PLAT MAP FILED SEPARATELY

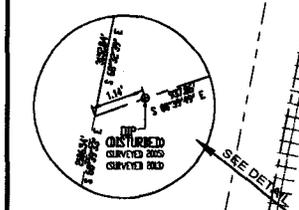


THE PREMISES IS NOT WITHIN A FLOOD HAZARD AREA ACCORDING TO THE FLOOD INSURANCE RATE MAP FOR THE TOWN OF WASSAWA, BRUNSWICK COUNTY, NORTH CAROLINA COMMUNITY PANEL No. 37000-200-1, EFFECTIVE 06-02-2006.



NOTES:
 NO BOUNDARY SURVEY HAS BEEN MADE. BOUNDARY LINES IDENTIFIED AS NOT SURVEYED WERE TAKEN FROM D.B. 3083 PG. 1364.
 THE LOCATION OF IMPROVEMENTS ("SLABS", POND, BUILDINGS, POWER POLES WITH OVERHEAD WIRES, ASPHALT AND SCALES) ARE THE RESULT OF A FIELD SURVEY BY SHERVIN D. CRIDD.
 ONLY THE BOUNDARY INFORMATION DESIGNATED IS THE RESULT OF A SURVEY BY SHERVIN D. CRIDD.
 THE PROFESSIONAL LAND SURVEYOR NAMED ON THIS PLAT IS NOT CERTIFYING TO ANY INFORMATION REGARDING SOIL BORINGS, TEMPORARY MONITORING WELLS, PERMANENT MONITORING WELLS, OR "Area of Potential Soil Contamination". THIS INFORMATION WAS COLLECTED BY AND IS BEING CERTIFIED BY OTHERS.
 SOIL BORING LOCATIONS AND WELL LOCATIONS WERE SCALED FROM A MAP PROVIDED BY APPLIED RESOURCE MANAGEMENT, BY LETTER TO MS. LISA TABER, P.G. DATED JULY 25, 2003, AND ARE NOT THE RESULT OF AN ACTUAL FIELD SURVEY BY SHERVIN D. CRIDD.
 "Area of Potential Soil Contamination" WAS SCALED FROM A SKETCH BY MS. LISA TABER, P.G., BROWNFIELDS PROJECT MANAGER.
 GROUNDWATER CONTAMINATION TABLE, SOIL CONTAMINATION TABLE AND NOTES SHOWN ON SHEET 2 OF 2 PROVIDED BY MS. LISA TABER, P.G., BROWNFIELDS PROJECT MANAGER.

"The areas and types of contamination depicted herein are approximations derived from the best available information at the time of filing."



SURVEY REFERENCES:
 D.B. 3083 PG. 1364
 N.C. 70 PG. 85
 N.C. 82 PG. 270

LEGEND	
	"Area of Potential Soil Contamination"
	SOIL BORING (OTHERS)
	WELL LOCATION (OTHERS)
	"BROWNFIELDS PROPERTY BOUNDARY"
	CENTER LINE
	RIGHT OF WAY
	DIP O OLD IRON PIPE
	OPK • OLD PK NAIL
	OCM □ OLD CONCRETE MONUMENT
	SURVEY TIE LINE
	RAIL ROAD TRACKS
	EXISTING POWER POLE
	OVERHEAD ELECTRIC WIRES
	LIMITS OF POND
	WETLAND AND ENVIRONMENTAL EASEMENT
	OLD ASPHALT
	TOWN LIMITS

I, SHERVIN D. CRIDD, CERTIFY THAT HIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION ORED DESCRIPTION RECORDED IN BOOK 3083, PAGE 1364 OF THE BRUNSWICK COUNTY, NORTH CAROLINA REGISTER OF DEEDS; THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY INDICATED AS DERIVED FROM INFORMATION FILED IN BOOK 3083, PAGE 1364 OF THE BRUNSWICK COUNTY, NORTH CAROLINA REGISTER OF DEEDS; THAT THE NOTION OF PROFESSION AS CALCULATED IS HAVING THAT HIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-20 AS AMENDED, WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL THIS _____ DAY OF _____, A.D. 2014.

SHERVIN D. CRIDD
 NC PROFESSIONAL LAND SURVEYOR No. L-1099

I, SHERVIN D. CRIDD, CERTIFY THAT THE SURVEY IS OF AN EXISTING PARCEL OR PARCELS OF LAND AND DOES NOT CREATE A NEW STREET OR CHANGE AN EXISTING STREET IN ACCORDANCE WITH G.S. 47-200.14.

SHERVIN D. CRIDD
 NC PROFESSIONAL LAND SURVEYOR No. L-1099

CERTIFICATE OF REGISTRATION BY REGISTER OF DEEDS
 BRUNSWICK COUNTY NORTH CAROLINA
 FILED FOR REGISTRATION ON THE _____ DAY OF _____, 2014
 AT _____ AM/PM AND FULLY RECORDED IN MAP BOOK # _____ AT PAGE _____.

SHERVIN H. CLEMENS
 REGISTER OF DEEDS

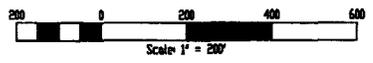
REVIEW OFFICER CERTIFICATE
 I, _____ REVIEW OFFICER OF BRUNSWICK COUNTY, NC, CERTIFY THAT THE MAP TO WHICH THIS CERTIFICATE IS AFFIXED MEETS ALL STATUTORY REQUIREMENTS FOR RECORDING.
 DATE _____ MAP REVIEW OFFICER _____

"SURVEY PLAT - EXHIBIT B
 to the Notice of Brownfields Property"

BEING PART OF PARCEL NUMBER 02300050
 (D.B. 3083 PG. 136-4)

PROPERTY OWNER EASTBROOK, LLC 1400 VILLAGE ROAD, LELAND, NC 28451
 PROSPECTIVE DEVELOPER EASTBROOK, LLC 1400 VILLAGE ROAD, LELAND, NC 28451

TOWN OF WASSAWA, NORTHWEST TOWNSHIP
 BRUNSWICK COUNTY, NORTH CAROLINA
 SCALE: 1" = 200' DATED OCTOBER 9, 2013
 REVISED: DECEMBER 31, 2013
 REVISED: JANUARY 23, 2014
 REVISED: FEBRUARY 25, 2014



SHERVIN D. CRIDD
 NC PROFESSIONAL LAND SURVEYOR No. L-1099
 1144 SHEPYARD BLVD
 WILMINGTON, NC 28412
 910-791-0080

MOUNT MISERY RD. N.E. S.R. 1426 80' PUBLIC R/W

Brunswick County, NC Register of Deeds page 32 of 39
 B3514 P0563 04-02-2014
 Brenda H. Clemens, Prop 10:18:43:000

EXHIBIT B: FULL-SIZE PLAT MAP FILED SEPARATELY

_____ for the purposes of N.C.G.S. §130A-310.35

Linda M. Culppepper, Deputy Director
Division of Waste Management
State of North Carolina

_____ date

LAND USE RESTRICTIONS

N.C.G.S. 130A-310.35(a) requires recitation of a Notice of Brownfields Property (Notice) that identifies any restrictions on the current and future use of a Brownfields Property that are necessary or useful to maintain the level of protection appropriate for the designated current or future use of the property and that are designated in a Brownfields Agreement pertaining to the property. This survey plat constitutes one of two components of the Notice pertaining to the Brownfields Property depicted on this plat and recorded at the New Hanover County Register of Deeds' office. The other component of the Notice is the documentary portion, to which the Brownfields Agreement for the subject property is attached as Exhibit A as a related version of this survey plat constitutes Exhibit B of the Notice. Exhibit C of the Notice is a legal description of the Brownfields Property that would be sufficient as a description of the property in an instrument of conveyance. Pursuant to the Notice, the following Land Use Restrictions, excerpted verbatim from the Notice, shall remain in force in perpetuity unless concurred by the Secretary of the North Carolina Department of Environment and Natural Resources or its successor in function, or his/her designee, after the hazards have been eliminated, pursuant to N.C.G.S. 130A-310.35(b).

1. No use may be made of the Property other than for non-residential commercial, light industrial, agriculture or land conservation purposes, as defined by the other Land Use Restrictions and the following definitions:
 - a. "Non-Residential Commercial" refers to an occupation, employment or enterprise carried on for profit by the owner, lessee or licensee, as defined by the other Land Use Restrictions herein.
 - b. "Light Industrial" refers to the assembly, fabrication or processing of goods and materials, activity within a building, using processes that ordinarily do not create noise, smoke, fumes, odors, glare, or health or safety hazards outside of the building or property where such assembly, fabrication or processing takes place.
 - c. "Agriculture" refers to growing trees and associated activities such as planting and harvesting.
 - d. "Conservation" refers to written creation for the purpose of selling written mitigation credits or other such activities related to protecting natural environments or resources.
2. No activity that disturbs or exposes soil on the Property in the "Area of Potential Soil Contamination" as delineated on the plat component of this Notice, including without limitation the demolition or removal of concrete slabs, dikes and containment areas soil excavating and the installation of building footers and infrastructure, may occur unless and until IDEM states in writing, in advance of the proposed activity, that said activity may occur if carried out along with any measures IDEM deems necessary to ensure the Property will be suitable for the uses specified in land use restriction 1 above while fully protecting public health and the environment, except in connection with testing and grading of above-ground vegetation and emergency repair of underground infrastructure, provided that IDEM shall be given written notice of only by email of any such emergency repair no later than the next business day, and that any related assessment and remedial measures required by IDEM shall be taken.
3. Absent compliance with a plan, approved in writing by IDEM in advance, for removing substances containing contaminants known to be or have been present in the environmental media of the Property such that, should a release of these substances occur at the Property, the subject contaminants in that release would be distinguishable with certainty from the subject contaminants in any known release at the Property that precludes the Brownfields Agreement (attached as Exhibit A hereto), none of the subject contaminants, including without limitation those listed in paragraph 5 of Exhibit A hereto, may be used or stored at the Property without the prior written approval of IDEM, except in the course of routine housekeeping, as components in prepackaged materials used or sold in connection with uses permitted under this Agreement, and vehicle maintenance and service in compliance with applicable law.
4. The portion of the Property formerly used for wood treating and delineated on the plat component of this Notice as the "Area of Potential Soil Contamination", may not be used for agriculture or grazing without the prior written approval of IDEM.
5. The portion of the Property formerly used for wood treating and delineated on the plat component of this Notice as the "Area of Potential Soil Contamination", may not be used as a playground, or for child care centers or schools without the prior written approval of IDEM.
6. The portion of the Property formerly used for wood treating and delineated on the plat component of this Notice as the "Area of Potential Soil Contamination", 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 prior written approval of IDEM.
7. Neither IDEM, nor any party conducting environmental assessment or remediation at the Property at the direction of, or pursuant to a permit, order or agreement issued or entered into by IDEM, may be denied access to the Property for purposes of conducting such assessment or remediation, which it is to be conducted using reasonable efforts to minimize interference with authorized uses of the Property.
8. During January of each year after the year in which this Notice is recorded, the owner of any part of the Property as of January 1st of that year shall submit a returned Land Use Restriction Update (LURU) to IDEM, and to the chief public health and environmental officials of Brunswick County, certifying that, as of said January 1st, the Notice of Brownfields Property containing these land use restrictions remains recorded at the Brunswick County Register of Deeds' office and that the land use restrictions are being complied with, and stating:
 - a. the name, mailing address, telephone and facsimile numbers, and contact person's e-mail address of the owner submitting the LURU if said owner occupied any part of the Property during the previous calendar year; and
 - b. the transferee's name, mailing address, telephone and facsimile numbers, and contact person's e-mail address, if said owner transferred any part of the Property during the previous calendar year.
 For purposes of the land use restrictions set forth above, the IDEM point of contact shall be the IDEM official referenced in subparagraph 27.a. of Exhibit A hereto, at the address stated therein.

GROUNDWATER CONTAMINANTS IN MICROGRAMS PER LITER (THE EQUIVALENT OF PARTS PER BILLION), THE STANDARDS FOR WHICH ARE CONTAINED IN TITLE 15A OF THE NORTH CAROLINA ADMINISTRATIVE CODE, SUBCHAPTER 21, RULE 2626ZC1, (APRIL 1, 2013 VERSION)

GROUNDWATER CONTAMINANT	SAMPLE LOCATION	SAMPLING DATE	CONCENTRATION EXCEEDING STANDARD (µg/L)	IL STANDARD (µg/L)
Naphthalene	Former Told supply well	March 8, 1993	130	6
Naphthalene	Former Told supply well	October 23, 1994	87	6

SOIL CONTAMINANTS IN MILLIGRAMS PER KILOGRAM (THE EQUIVALENT OF PARTS PER MILLION), THE SCREENING LEVELS FOR WHICH ARE DERIVED FROM THE PRELIMINARY INDUSTRIAL RESIDENTIAL HEALTH-BASED REMEDIATION GOALS OF THE INACTIVE HAZARDOUS SITES BRANCH OF DEQ'S SUPERFUND SECTION (FEBRUARY, 2003 VERSION)

SOIL CONTAMINANT	SAMPLE LOCATION	DEPTH (Feet)	SAMPLING DATE	CONCENTRATION EXCEEDING SCREENING LEVEL (mg/kg)	INDUSTRIAL SCREENING LEVEL (mg/kg)
Dibenzofuran	AEC-0/3-1	1-2	May 1, 2003	2.67 ¹	0.21
	AEC-1/2-1 (sand subsoil)	1-2	April 30, 2003	0.292 ¹	0.21
	AEC-7/3-1	1-2	April 30, 2003	0.526	0.21
Dibenz(a,h)anthracene	AEC-0/3-1	1-2	May 1, 2003	0.005 ¹	0.21
Benzo(a)anthracene	AEC-0/3-1	1-2	May 1, 2003	3.67 ¹	2.1
Benzo(b)fluoranthene	AEC-0/3-1	1-2	May 1, 2003	0.57	2.1
Perchlorophenol	AEC-0/3-1	1-2	May 1, 2003	37.80	27

¹ Screening levels displayed for non-carcinogens are for hazard quotient equal to 0.2. Screening levels displayed for carcinogens are for LEC-6 (lifetime incremental cancer risk target).
² Estimated concentration.



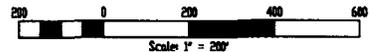
B3514 P0564 04-02-2014
10:18:43 000
Brenda M. Clemmons PROP
of Deeds page 33 of 39

"SURVEY PLAT - EXHIBIT B
to the Notice of Brownfields Property"

BEING PART OF PARCEL NUMBER 2830050
(O.R. 3883 PG. 1364)

PROPERTY OWNED: EASTBROOK, LLC 1400 VILLAGE ROAD, LELAND, NC 28451
PROSPECTIVE DEVELOPER: EASTBROOK, LLC 1400 VILLAGE ROAD, LELAND, NC 28451

TOWN OF MAVASSA, NORTHWEST TOWNSHIP
BRUNSWICK COUNTY, NORTH CAROLINA
SCALE 1" = 200' DATE: OCTOBER 9, 2003
REVISED: DECEMBER 31, 2013
REVISED: JANUARY 23, 2014
REVISED: FEBRUARY 25, 2014



SHERVIN D. CROSBY
NC PROFESSIONAL LAND SURVEYOR No. L-1099
144 SHIPYARD BLVD
WILMINGTON, NC 28412
910-791-8080



Exhibit C

TRACT ONE

BEGINNING at an iron pipe located in the southern right-of-way line, 50 feet from the center, of Seaboard Airline Railroad, said point being South 63 degrees 50 minutes East as measured along the said southern right-of-way line from where it is intersected by the centerline of N.C. State Road #1426 at Eastbrook; from said beginning point runs thence with said southern right-of-way line of Seaboard Airline Railroad South 63 degrees 50 minutes East 491 feet to an iron pipe; runs thence South 20 degrees 30 minutes West 792 feet to an iron pipe in the edge of an old road; runs thence with said old road South 47 degrees 50 minutes East 380 feet to an iron pipe in said road; thence continuing with said road South 34 degrees 02 minutes East 381 feet to an iron pipe; thence leaving said road North 21 degrees 50 minutes East 1095 feet to an iron pipe located in the southern right-of-way line of the Seaboard Airline Railroad, 50 feet from the center thereof; runs thence with said southern right-of-way line of said railroad South 63 degrees 50 minutes East 2011 feet to an iron pipe in International Paper Company's line; runs thence with said International Paper Company's line South 36 degrees West 1433 feet to an iron pipe, corner of International Paper Company; runs thence North 42 degrees 30 minutes West 300 feet to an iron pipe, another of International Paper Company's corners; runs thence North 26 degrees West 35 feet to an iron pipe in a ditch; runs thence North 44 degrees West 440 feet to an iron pipe; runs thence South 46 degrees West 236 feet to an iron pipe in a ditch; runs thence with the center of said ditch North 41 degrees 30 minutes West 436 feet to an iron pipe; runs thence South 35 degrees 30 minutes West 582 feet to an iron pipe with two gum pointers, corner of Durwood Clark; runs thence with his line and fence North 79 degrees West 708 feet to an iron pipe; runs thence North 2 degrees 30 minutes West 304 feet to an old iron pipe; runs thence North 88 degrees 40 minutes West 83 feet to an old stone in School House Branch near the intersection of School House Branch and Sturgeon Creek, sometimes referred to as Rowell's Branch; runs thence North 50 degrees 50 minutes East 396 feet to a pipe and monument; runs thence North 9 degrees 10 minutes West 660 feet to a concrete monument; runs thence North 4 degrees 10 minutes West 996 feet to

Exhibit C

TRACT ONE

BEGINNING at an iron pipe located in the southern right-of-way line, 50 feet from the center, of Seaboard Airline Railroad, said point being South 63 degrees 50 minutes East as measured along the said southern right-of-way line from where it is intersected by the centerline of N.C. State Road #1426 at Eastbrook; from said beginning point runs thence with said southern right-of-way line of Seaboard Airline Railroad South 63 degrees 50 minutes East 491 feet to an iron pipe; runs thence South 20 degrees 30 minutes West 792 feet to an iron pipe in the edge of an old road; runs thence with said old road South 47 degrees 50 minutes East 380 feet to an iron pipe in said road; thence continuing with said road South 34 degrees 02 minutes East 381 feet to an iron pipe; thence leaving said road North 21 degrees 50 minutes East 1095 feet to an iron pipe located in the southern right-of-way line of the Seaboard Airline Railroad, 50 feet from the center thereof; runs thence with said southern right-of-way line of said railroad South 63 degrees 50 minutes East 2011 feet to an iron pipe in International Paper Company's line; runs thence with said International Paper Company's line South 36 degrees West 1433 feet to an iron pipe, corner of International Paper Company; runs thence North 42 degrees 30 minutes West 300 feet to an iron pipe, another of International Paper Company's corners; runs thence North 26 degrees West 35 feet to an iron pipe in a ditch; runs thence North 44 degrees West 440 feet to an iron pipe; runs thence South 46 degrees West 236 feet to an iron pipe in a ditch; runs thence with the center of said ditch North 41 degrees 30 minutes West 436 feet to an iron pipe; runs thence South 35 degrees 30 minutes West 582 feet to an iron pipe with two gum pointers, corner of Durwood Clark; runs thence with his line and fence North 79 degrees West 708 feet to an iron pipe; runs thence North 2 degrees 30 minutes West 304 feet to an old iron pipe; runs thence North 88 degrees 40 minutes West 83 feet to an old stone in School House Branch near the intersection of School House Branch and Sturgeon Creek, sometimes referred to as Rowell's Branch; runs thence North 50 degrees 50 minutes East 396 feet to a pipe and monument; runs thence North 9 degrees 10 minutes West 660 feet to a concrete monument; runs thence North 4 degrees 10 minutes West 996 feet to



the place and point of BEGINNING, the same containing 76 acres, more or less, according to a survey by V. W. Herlevich, R. L. S., in September, 1968, said map about to be recorded in the Office of the Register of Deeds of Brunswick County, said land being the same lands as described in a deed from Lillie R. Hodge, widow, to Florence Ellen Thompson, dated December, 1954, and recorded in Book 120 at Page 581, the above description representing a consolidated description of all lands described in the aforementioned deed, less exceptions of record.

TRACT TWO

BEGINNING at a point 50 feet southward from the center of said railroad tract and 2606 feet eastward from the east edge of the 40-foot County road where it crosses said railroad at Eastbrook, said point being indicated by a stake, runs thence with the southern edge of the right-of-way of said railroad South 69 degrees 07 minutes East 639 feet to a stake; thence South 21 degrees 50 minutes West 1095 feet to a stake on the north edge of an old neighborhood road; thence North 43 degrees 06 minutes West 760.5 feet to a stake on the north edge of said road; thence North 21 degrees 50 minutes East 761 feet to the BEGINNING, containing 14.7 acres, more or less.

There is excepted from the above tract of land the following parcel: BEGINNING at a point in the southern line of the right-of-way of the Seaboard Railroad Airline right-of-way and 50 feet from the center thereof and 2626 feet eastward from the center of the highway at Eastbrook, thence North 21 degrees 50 minutes East with the Grantor's line 761 feet to the Grantor's corner at the road; thence with said road and the Grantor's line North 43 degrees 6 minutes West 315 feet to a spruce pine at the edge of a ditch; thence South 21 degrees 50 minutes West or same course of the first line from said railroad, back to the railroad right-of-way, thence with the railroad right-of-way back to the BEGINNING, containing 5-1/5 acres, more or less, and being that same property conveyed by Lloyd A. Hodge to J. C. Crooms, Trustee on 19 September, 1953. Reference is hereby made to Deeds recorded in Book 144 at Page 485 and Book 115 at Page 124 for a more particular description of the above-described property, records of Brunswick County.

TRACT THREE

BEGINNING at a point in the southern line of the right-of-way of the Seaboard Railroad Airline right-of-way and 50 feet from the center thereof and 2626 feet eastward from the center of the highway

the place and point of BEGINNING, the same containing 76 acres, more or less, according to a survey by V. W. Herlevich, R. L. S., in September, 1968, said map about to be recorded in the Office of the Register of Deeds of Brunswick County, said land being the same lands as described in a deed from Lillie R. Hodge, widow, to Florence Ellen Thompson, dated December, 1954, and recorded in Book 120 at Page 581, the above description representing a consolidated description of all lands described in the aforementioned deed, less exceptions of record.

TRACT TWO

BEGINNING at a point 50 feet southward from the center of said railroad tract and 2606 feet eastward from the east edge of the 40-foot County road where it crosses said railroad at Eastbrook, said point being indicated by a stake, runs thence with the southern edge of the right-of-way of said railroad South 69 degrees 07 minutes East 639 feet to a stake; thence South 21 degrees 50 minutes West 1095 feet to a stake on the north edge of an old neighborhood road; thence North 43 degrees 06 minutes West 760.5 feet to a stake on the north edge of said road; thence North 21 degrees 50 minutes East 761 feet to the BEGINNING, containing 14.7 acres, more or less.

There is excepted from the above tract of land the following parcel: BEGINNING at a point in the southern line of the right-of-way of the Seaboard Railroad Airline right-of-way and 50 feet from the center thereof and 2626 feet eastward from the center of the highway at Eastbrook, thence North 21 degrees 50 minutes East with the Grantor's line 761 feet to the Grantor's corner at the road; thence with said road and the Grantor's line North 43 degrees 6 minutes West 315 feet to a spruce pine at the edge of a ditch; thence South 21 degrees 50 minutes West or same course of the first line from said railroad, back to the railroad right-of-way; thence with the railroad right-of-way back to the BEGINNING, containing 5-1/5 acres, more or less, and being that same property conveyed by Lloyd A. Hodge to J. C. Crooms, Trustee on 19 September, 1953. Reference is hereby made to Deeds recorded in Book 144 at Page 485 and Book 115 at Page 124 for a more particular description of the above-described property, records of Brunswick County.

TRACT THREE

BEGINNING at a point in the southern line of the right-of-way of the Seaboard Railroad Airline right-of-way and 50 feet from the center thereof and 2626 feet eastward from the center of the highway



at Eastbrook; thence North 21 degrees 50 minutes East with the Grantor's line 761 feet to the Grantor's corner at the road; thence with said road and the Grantor's line North 43 degrees 6 minutes West 315 feet to a spruce pine at the edge of a ditch; thence South 21 degrees 50 minutes West on same course of the first line from said railroad, back to the railroad right-of-way; thence with the railroad right-of-way back to the BEGINNING, containing 5-1/5 acres, more or less, being that same property conveyed by Lloyd A. Hodge to J. C. Crooms, Trustee, on 19 September, 1953.

The above-described three (3) tracts are the same property described in Deed to Robert T. Smith dated November 13, 1970 and recorded in Book 248, Page 353 of the Brunswick County Registry, in Deed to Robert T. Smith dated May, 1972 and recorded in Book 270, Page 298 of said Registry, and in Deed to Robert T. Smith dated August 18, 1972 and recorded in Book 276, Page 747 of said Registry, reference to which deeds is hereby made for a more particular and detailed description.

The property is **Subject To** the terms of the Notice of Inactive Hazardous Substances or Waste Disposal Site recorded in Map Book 21 at Page 421 of the Brunswick County Register of Deeds.

The property hereinabove described was acquired by Grantor by instrument recorded in Book 419 at Page 630, Brunswick County Registry.



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