COMMERCIAL
REALTY ADVISORS

Real Estate Services & Development

JAN 2014
Brownfields

January 13, 2014

NCDENR-DWM
Brownfields Program
1646 Mail Service Center
Raleigh, North Carolina 27699-1646
Attn: Ms. Shirley Liggins

Re: Brownfields Project # 09020-05-34
Brownfields Property: West End, N. Broad Street

Dear Ms. Liggins:

I am the Managing Member of Tight Lines Partners, LLC and Fourth Street Ventures, LLC. Each of these entities owns a portion of the above-referenced Brownfields Project.

Tight Lines Partners, LLC owns the following:

- Block 93 / Lot 203
- Block 96 / Lot 141

No work has occurred on Block 96 / Lot 141 since receiving the Brownfields designation. Please see Section 3 of the attached Land Use Restriction Update Form relating to Block 93 / Lot 203.

Fourth Street Ventures, LLC owns the following:

- Block 97 / Lot 356
- Block 105 / Lots 111, 112, 117, 119, 120, 118, 115, 116 109, 110, 102B, 102C, 101C, 104E, 103, 105C, 105E and 104C, 121, 122, 123, 124 & 125

No work has occurred on any of the above parcels since receiving the Brownfields designation.

Attached please find completed Land Use Restriction Update Form for Tight Lines Partners, LLC and Fourth Street Ventures, LLC.

If you have any questions and/or comments, please feel free to give me a call.

Sincerely,

John E. Reece II
Managing Member

101 N. Cherry Street, Suite 502 | Winston-Salem, NC 27101 | phone 336.793.0890 | CommercialRealtyNC.com

JAN 2014
Brownfields

Brownfields Project #: 09020-05-34
Brownfields Property: West End, N. Broad Street
Property Owner (In whole or part): Tight Lines Partners, LLC

LAND USE RESTRICTIONS ("LUR") UPDATE

LUR 1: No use may be made of the Brownfields Property other than for commercial, office, retail, high-density residential and contiguous ancillary uses. For purposes of this restriction, the following definitions apply:

a. Commercial use: An enterprise carried on for profit by the owner, lessee or licensee;

b. Office use: The conduct or rendering of business or professional services;

c. Retail use: The sale of goods, products or merchandise directly to the consumer, and includes restaurants;

d. High-density residential use: Permanent dwellings, such as condominiums, townhouses, apartments, penthouses, flats, group homes, dormitories or boarding houses, where residential units are attached to one another with common walls and any property outside the dwelling structure may be commonly used by all residents and is not privately owned as part of an individual dwelling unit;

e. Contiguous ancillary uses: Parking areas, service drives and other facilities that are needed to support the above uses, and are within or adjacent to the area where those uses are occurring.

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 prior written approval of the Department of Environment and Natural Resources ("DENR").

In compliance __X__ Out of compliance ____

Remarks: _____
_____

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, except following sampling and analysis of groundwater in areas proposed for such activities, submission of the analytical results to DENR, and a written determination of adequacy by DENR as to the sampling and results. If such results disclose to DENR contamination in excess of North Carolina's groundwater quality standards, the proposed activities may not occur without the prior written 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: Please see 415 Broad Street (Block 93 / Lot 203) Environmental Management Plan dated April 29, 2013 and subsequent approval by Lisa Taber per email dated June 3, 2013

LUR 4: Soil within the area denoted "Area of Possible Soil Contamination" on the plat component of the Notice of Brownfields Property ("Notice") may not be disturbed without a minimum of seven (7) business days advance written notice to DENR, unless DENR states otherwise in writing in advance. From then until completion of the subject soil-disturbing activities, DENR may inspect and sample, or require sampling of, the exposed soil for contaminants. If soil contamination is discovered that DENR determines would likely contaminate groundwater, even if capped, or that may pose an imminent threat to public health or the environment if exposed, as much soil as DENR requires shall be removed and disposed of in accordance with applicable law. If soil contamination is discovered that DENR determines would not likely contaminate groundwater if capped, or likely pose an imminent threat to public health or the environment if exposed, as much soil as DENR requires shall be capped or, at the discretion of the party performing the work, as much soil as DENR requires shall be removed and disposed of in accordance with applicable law.

In compliance __X__ Out of compliance ____

Remarks: _____

_____

LUR 5: No mining may be conducted on the Brownfields Property, including, without limitation, extraction of coal, oil, gas or any other minerals or non-mineral substances.

In compliance __X__ Out of compliance ____

Remarks: _____

_____

LUR 6: No basements may be constructed on the Brownfields Property unless they are, as determined in writing by DENR, vented in conformance with applicable building codes.

In compliance __X__ Out of compliance ____

Remarks: _____

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_____

LUR 7: No materials containing contaminants present in the environmental media at the Brownfields Property, including those listed in Tables A and B of the Notice, may be used or stored at the Brownfields Property without the prior written approval of DENR, except in de minimis amounts for cleaning and other routine housekeeping activities.

In compliance __X__ Out of compliance ____

Remarks: _____

_____

_____

_____

LUR 8: The Brownfields Property may not be used as a park or for sports of any kind, including, but not limited to, golf, football, soccer and baseball, without the prior written approval of DENR.

In compliance __X__ Out of compliance ____

Remarks: _____

_____

_____

_____

LUR 9: The Brownfields Property may not be used for agriculture, grazing, timbering or timber production.

In compliance __X__ Out of compliance ____

Remarks: _____

LUR 10: The Brownfields Property may not be used as a playground or for child care centers or schools without the prior written approval of DENR.

In compliance __X_ Out of compliance ____

Remarks: _____

_____

_____

_____

LUR 11: 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 12: During January of each year after the year in which this Agreement becomes effective, the then-current owner of any part of the Brownfields Property shall be responsible for submittal of a notarized Land Use Restrictions Update to DENR certifying that this Notice remains recorded at the Forsyth County Register of Deeds office, and that the land use restrictions are being complied with, including semi-annual inspection and maintenance, if necessary, of any impervious or hard pervious surfaces, such as asphalt or concrete pavement or brick pavers. Alternatively, the obligations of this paragraph may be discharged on behalf of some or all owners by an owners' association that demonstrates, to DENR's written satisfaction in advance, its identity and its authority to act as agent for such owners.

In compliance __X__ Out of compliance ___

Remarks:

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

This Land Use Restrictions Update is certified by Tight Lines Partners, LLC, owner of at least part of the Brownfields Property.

Name typed or printed of party making certification: John E. Reece, II

In the case of owners that are entities:

Signature of individual signing: _____
Name typed or printed: John E. Reece II
Title: Managing Member

In the case of all owners:

Date: 1/13/2014

Tight Lines Partners, LLC

By: _____
Name typed or printed: John E. Reece II
Member/Manager

NORTH CAROLINA
Forsyth COUNTY

I, Karen S. Levstek, a Notary Public of the county and state aforesaid, certify that John E. Reece, II personally came before me this day and acknowledged that he is a Member of Tight Lines Partners, LLC, a **North Carolina** limited liability company, and its Manager, and that by authority duly given and as the act of the company, the foregoing Land Use Restriction Update was signed in its name by him/her.

WITNESS my hand and official stamp or seal, this 13 day of January, 2014.

Karen S. Levstek
Name typed or printed: Karen S. Levstek
Notary Public

My Commission expires: 6.24.17

[Stamp/Seal]

NOTARY PUBLIC
KAREN S. LEVSTEK
Forsyth County
My Commission Expires
June 24, 2017
NORTH CAROLINA