

NC BROWNFIELDS
LAND USE RESTRICTIONS ("LUR") UPDATE



Year Certification Made: 2016

Name: 955 Brookstown
Project #: 18028-14-034

Address: 955 Brookstown Avenue
County: Forsyth

Property Owner (In part or whole): Fourth Street Ventures, LLC

Read the following LURs and mark each restriction accordingly. Additional remarks may be added for compliance status clarification. Attach any required or supplemental documentation, sign, notarize and submit to the following address:

NC Division of Waste Management
Brownfields Program
1646 Mail Service Center
Raleigh, NC 27699-1646

LUR 1: No use may be made of the Property other than for High-Density Residential, Office, Retail, and associated automobile Parking. For purposes of this restriction, the following definitions apply:

- a. "High Density Residential" shall mean permanent dwellings where residential units are attached to each other with common walls, such as condominiums, apartments, group homes, dormitories or boarding houses, and any property outside the dwelling structures is usable by all residents and not privately owned as part of a particular unit, and shall include related amenities, such as pools, clubhouses, courtyards, common areas, recreation areas and parking garages;
- b. "Office" refers to the provision of business or professional services.
- c. "Retail" refers to an activity the principal use or purpose of which is the sale of goods, products, or merchandise directly to the consumer.
- d. "Parking" refers to the temporary accommodation of motor vehicles in an area designed for same.

In compliance Out of compliance

Remarks: _____

LUR 2: Unless compliance with this LUR is waived in writing in advance by the Department of Environment and Natural Resources ("DENR") in relation to particular buildings, demolition of buildings on the Property depicted on the plat component of the Notice of Brownfields Property ("Notice") must occur in accordance with applicable legal requirements, including without limitation those related to lead and asbestos abatement that are administered

by the Health Hazards Control Unit within the Division of Public Health of the North Carolina Department of Health and Human Services.

In compliance Out of compliance

Remarks: _____

LUR 3: Physical redevelopment of the Property may not occur other than in accord, as determined by DENR, with an Environmental Management Plan approved in writing by DENR in advance (and revised to DENR's written satisfaction prior to each subsequent redevelopment phase) that is consistent with all the other land use restrictions and describes redevelopment activities at the Property, the timing of redevelopment phases, and addresses health, safety and environmental issues that may arise from use of the Property during construction or redevelopment in any other form, including without limitation:

- a. soil and water management issues, including without limitation those resulting from contamination identified in the Environmental Reports;
- b. potential sources of the contamination referenced in paragraph 7 of the Exhibit A to the Notice;
- c. surface soil sampling for any soil areas that are planned to be exposed after the planned development, and subsurface soil sampling as required by DENR;
- d. contingency plans for addressing newly discovered potential sources of environmental contamination (e.g., tanks, drums, septic drain fields); and
- e. plans for the proper characterization of, and, as necessary, disposal of soils excavated during redevelopment.

In compliance Out of compliance

Remarks: _____

LUR 4: Groundwater at the Property may not be used for any purpose without the prior written approval of DENR.

In compliance Out of compliance

Remarks: _____

LUR 5: After conclusion of the redevelopment period referenced in paragraph 3 above, as determined by DENR, no activity that disturbs soil or groundwater on the Property 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 LUR 1. above while fully protecting public health and the environment. Notwithstanding the above, the Prospective developer may conduct landscaping activities including mowing and pruning of aboveground vegetation, landscape plantings that do not exceed 24 inches in depth, and for 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.

In compliance Out of compliance

Remarks: _____

LUR 6: No building may be constructed on the Property until either the activities outlined in paragraph 6.A or 6.B. of the Notice occur. Existing buildings, defined as those depicted on the plat component of the Notice of Brownfields Property, must also comply with either paragraphs 6.A. or 6.B. of the Notice. For existing buildings compliance with the referenced paragraph 6.A. will occur through DENR's written approval of written reports and/or plans received by DENR within 120 days after signing this Agreement. Compliance with the referenced 6.B. for existing buildings will occur within 90 days of DENR's written approval of the reports and/or plans referenced above, if necessary as determined by DENR, as follows:

- a. DENR determines in writing, based on submittals from the building's proponent, that the building's users, and public health and the environment, would not be at risk from the Property's volatile contaminant plume; or
- b. Vapor mitigation measures are installed or implemented to the satisfaction of a professional engineer licensed in North Carolina, as evidenced by said engineer's seal on a report that includes photographs and a description of the installation and performance of said measures. All vapor mitigation measures shall be installed or implemented in accordance with a plan approved in writing by DENR in advance, including methodology(ies) for demonstrating performance of said measures.

In compliance Out of compliance

Remarks: _____

LUR 7: None of the contaminants known to be present in the environmental media at the Property, including those appearing in paragraph 7 of the Exhibit A, may be used or stored at the Property without the prior written approval of DENR, except in de minimis amounts for cleaning and other routine housekeeping activities.

In compliance Out of compliance

Remarks: _____

LUR 8: The Property may not be used for agriculture or grazing, without the prior written approval of DENR.

In compliance Out of compliance

Remarks: _____

LUR 9: The Property may not be used as a park or for sports of any kind, including, but not limited to, golf, football, soccer and baseball, without the prior, written approval of DENR.

In compliance Out of compliance

Remarks: _____

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

In compliance Out of compliance

Remarks: _____

LUR 11: The owner of any portion of the Property where any existing, or subsequently installed, DENR-approved monitoring well is damaged shall be responsible for repair of any such wells to DENR's written satisfaction and within a time period acceptable to DENR, unless compliance with this Land Use Restriction is waived in writing by DENR in advance.

In compliance Out of compliance

Remarks: _____

LUR 12: 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.

In compliance Out of compliance

Remarks: _____

LUR 13: During January of each year after the year in which the 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 Forsyth County, certifying that, as of said January 1st, the Notice of Brownfields Property containing these land use restrictions remains recorded at the Forsyth County Register of Deeds office and certifying that the land use restrictions are being complied with. A joint LURU may be submitted for multiple owners by a duly constituted board or association, or another entity approved in advance by DENR. In addition to said certification of land use restriction compliance, the LURU shall provide the following information:

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

John E. Reece, II, Fourth Street Ventures, LLC, 751 W. Fourth Street, Suite 310,
Winston-Salem, NC 27101 Phone: 336.793.0890 Fax: 336.722.2583
john@commercialrealtync.com

- 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.

- c. Whether any vapor barrier and/or mitigation systems installed pursuant to subparagraph 14.f.ii. of the Exhibit A of the Notice are performing as designed, and whether the uses of the ground floors of any buildings containing such vapor barrier and/or mitigation systems have changed, and, if so, how.

- d. A joint LURU submitted for multiple owners by a duly constituted board or association shall include the name, mailing address, telephone and facsimile numbers, and contact person's e-mail address of the entity submitting the joint LURU as well as for each of the owners on whose behalf the joint LURU is submitted.

- e. LURU's submitted for rental units shall include the rent roll and enough of each lease entered into during the previous calendar year to demonstrate compliance with lessee notification requirements in paragraphs 20 and 21 of the Exhibit A to the Notice.
-

In compliance Out of compliance

Remarks: _____

LUR 14: Any deed or other instrument conveying an interest in the Property executed by an owner of any 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 Forsyth County land records, Book 3253, Page 2732." A copy of any such instrument shall be sent to the persons listed in Section XVI (Notices and Submissions) of the attached Exhibit A, though financial figures related to the conveyance may be redacted. In connection with residential and commercial leases of the Property, if standard form leases are used in every instance, copies of them may be sent in lieu of copies of actual leases if they are sent at least 30 days before their first use and the first use of any materially revised versions of them.

In compliance Out of compliance

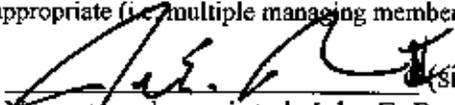
Remarks: _____

Notarized signing and submittal of this Land Use Restrictions Update constitutes certification that the Notice of Brownfields Property 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 Fourth Street Ventures, LLC, owner of at least part of the Brownfields Property on this 12th day of January, 2016.

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

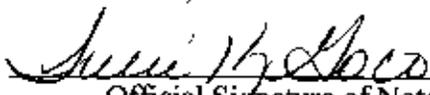
[Note: additional entities or owners may be added if appropriate (i.e. multiple managing members/entities)]

By:  (signature)
Name typed or printed: John E. Reece, II
Title typed or printed: Member/Manager

NORTH CAROLINA
FORSYTH 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: John E. Reece, II.

Date: 1/12/16


Official Signature of Notary



Julie K. Goco
Notary's printed or typed name, Notary Public
My commission expires: August 13, 2017