

Doc ID: 009886350041 Type: CRP
Recorded: 02/27/2006 at 04:58:55 PM
Fee Amt: \$134.00 Page 1 of 41
Iredell County, NC
Brenda D. Bell Register of Deeds
BK 1725 PG 2085-2125

Property Owner: Statesville Partnership, 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 9th day of Feb, 2006 by Statesville Partnership, LLC (hereinafter "Prospective Developer").

The 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 Prospective Developer's name.

The Brownfields Property is located at 224 Wilson Park Road in Statesville, Iredell County, North Carolina, in the Crawford Road Industrial Park. The Brownfields Property was used for textile manufacturing from the 1960s until 1995. Chlorinated solvents were used in manufacturing there and are present in soil and groundwater. The Property comprises 5.99 acres. Prospective Developer has committed itself to redevelopment for no uses other than light manufacturing and commercial uses consisting of warehousing, distribution and/or retail.

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

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

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

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

GROUNDWATER CONTAMINANT TABLE

Groundwater Contaminant	Sampled Location	Depth (in feet)	Date	Max. Concentration in Groundwater (ug/l)	N.C. 2L Ground Water Standard (ug/l)
Tetrachloroethene	MW-1	15-30	9/30/94	2.4	0.7
	MW-2	7.5-22.5	8/14/96	255	
	MW-3	15-30	8/14/96	153	
	MW-3D	70-100	10/9/01	40	
	MW-4	7.5-22	5/10/95	93	
	MW-5	7.5-22	2/1/96	7500/3000	
	MW-5D	61-91	10/9/01	1900	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	7600	
	MW-8D	50-80	10/9/01	57	
	IW	399	12/21/93	288	
	OW	705	12/21/93	244	
Trichloroethene	MW-1	15-30	5/10/95	BQL	2.8
	MW-2	7.5-22.5	8/14/96	11	
	MW-3	15-30	2/1/96	29	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	5/10/95	BQL	
	MW-5	7.5-22	2/1/96	BQL/280	
	MW-5D	61-91	10/8/01	410	

	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80	10/9/01	14	
	IW	399	21/21/93	3.1	
	OW	705	12/21/93	28.7	
Trans-1,2-Dichloroethene	MW-1	15-30	5/10/95	BQL	70
	MW-2	7.5-22.5	8/14/96	BQL	
	MW-3	15-30	8/14/96	2.22	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	5/10/95	BQL	
	MW-5	7.5-22	8/14/96	93	
	MW-5D	61-91	5/10/95	BQL	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80		NA	
	IW	399	12/21/93	BQL	
	OW	705	12/21/93	1.7	
cis-1,2-Dichloroethene	MW-1	15-30		NA	70
	MW-2	7.5-22.5		NA	
	MW-3	15-30		NA	
	MW-3D	70-100		NA	
	MW-4	7.5-22		NA	
	MW-5	7.5-22		NA	
	MW-5D	61-91	10/9/01	BQL	
	MW-6	20-35		NA	
	MW-8	20-35	10/9/01	270	
	MW-8D	50-80	10/9/01	6.9	
	IW	399		NA	
	OW	705		NA	
1,2-Dichloropropane	MW-1	15-30	5/10/95	BQL	0.56
	MW-2	7.5-22.5	9/30/94	2.3	
	MW-3	15-30	8/14/96	BQL	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	9/30/94	0.6	
1,2-Dichloropropane	MW-5	7.5-22	8/14/96	BQL	
	MW-5D	61-91	10/9/01	BQL	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80	10/9/01	BQL	
	IW	399	12/21/93	BQL	
	OW	705	12/21/93	BQL	

Chloroform	MW-1	15-30	5/10/95	BQL	0.19
	MW-2	7.5-22.5	8/14/96	0.573	
	MW-3	15-30	8/14/96	BQL	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	5/10/95	BQL	
	MW-5	7.5-22	8/14/96	2.3	
	MW-5D	61-91	10/9/01	BQL	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80	10/9/01	BQL	
	IW	399	12/21/93	BQL	
OW	705	12/21/93	BQL		
Methylene Chloride	MW-1	15-30	5/10/95	BQL	5
	MW-2	7.5-22.5	5/10/95	7.3	
	MW-3	15-30	8/14/96	BQL	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	5/10/95	BQL	
	MW-5	7.5-22	8/14/96	BQL	
	MW-5D	61-91	5/10/95	15	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80	10/9/01	BQL	
	IW	399	12/21/93	BQL	
OW	705	12/21/93	BQL		
ug/l = micrograms/liter or parts per billion BQL = below quantitation limit "/" between dual values = split sample					

SOIL CONTAMINANT TABLE

Soil Contaminant	Sampled Location	Depth (in feet)	Date	Maximum Concentration in Soil ($\mu\text{g}/\text{kg}$)	Standard ($\mu\text{g}/\text{kg}$)
Tetrachloroethene	GP-2	8	4/24/95	10	480
	GP-3	8	4/24/95	210	
	GP-4	15	4/24/95	2.4	
	GP-5	8	4/24/95	27	

Soil Contaminant	Sampled Location	Depth (in feet)	Date	Maximum Concentration in Soil (µg/kg)	Standard (µg/kg)
	GP-5	15	4/24/95	BQL	
	GP-6	2	4/24/95	BQL	
	GP-14	8	4/24/95	BQL	
	GP-15	2	4/24/95	BQL	
	MW-5D	4	4/24/95	48	
	MW-5D	11	4/24/95	BQL	
	MW-7	3	4/24/95	3.7	
	GEO-20X	5	4/24/95	9.1	
	GEO-20X-10	10	4/24/95	5.7	
1,1,1-Trichloroethane	GP-2	8	4/24/95	BQL	400
	GP-3	8	4/24/95	BQL	
	GP-4	15	4/24/95	BQL	
	GP-5	8	4/24/95	BQL	
	GP-5	15	4/24/95	BQL	
	GP-6	2	4/24/95	BQL	
	GP-14	8	4/24/95	BQL	
	GP-15	2	4/24/95	BQL	
	MW-5D	4	4/24/95	BQL	
	MW-5D	11	4/24/95	BQL	
	MW-7	3	4/24/95	BQL	
	GEO-20X	5	4/24/95	BQL	
	GEO-20X-10	10	4/24/95	BQL	
<ul style="list-style-type: none"> ug/kg = micrograms/kilogram or part per billion BQL = below quantitation limit 					

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 Brownfields Property other than for light manufacturing and for the following commercial uses: warehousing, distribution and retail. For purposes of this restriction, the following definitions apply:

a. "Light manufacturing" means the assembly, fabrication or processing of goods and materials using processes that ordinarily do not create noise, smoke, fumes, odors, glare, or health or safety hazards outside of the building or lot where such assembly, fabrication or processing takes place, where such processes are housed entirely within a building, or where the area occupied by the outdoor storage of goods and material used in such processes does not exceed 25 percent of the floor area of all the buildings on the Brownfields Property. Light manufacturing for these purposes may not generate process water or wastewater.

b. "Commercial" refers to an occupation, employment or enterprise carried on for profit by the owner, lessee, or licensee.

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.

2. Surface water and underground water at the Brownfields Property may not be used for any purpose without the approval of DENR .

3. Other than the monitoring required by Land Use Restriction 14.n. below, no activities that encounter, expose, remove or use groundwater (for example, installation of water supply wells, fountains, ponds, lakes or swimming pools, or construction or excavation activities that encounter or expose groundwater) may occur on the Brownfields Property without prior sampling and analysis of groundwater to the satisfaction of DENR in any areas proposed for such activities, and submittal of the analytical results to DENR . If such results disclose to DENR contamination in excess of North Carolina's groundwater quality standards, the proposed activities may not occur without the approval of DENR on such conditions as DENR imposes, including at a minimum compliance with plans and procedures, approved pursuant to applicable law, to protect public health and the environment during the proposed activities.

4. Soil within the area denominated "Area of Potential Soil Contamination" on the plat component of this Notice, a reduced copy of which is attached hereto as Exhibit B, may not be exposed without a minimum of seven (7) business days advance written notice to DENR, unless DENR states otherwise in writing. At the time such soil is exposed, 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 reasonably requires shall be removed and disposed of in accordance with applicable law, and any other actions that DENR reasonably requires to make the Brownfields Property suitable for the uses specified in this Agreement while fully protecting public health and the environment shall be taken. 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 reasonably requires shall be removed and disposed of in accordance with applicable law or capped to the satisfaction of DENR.

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

a. This paragraph and its subparagraphs apply to buildings that are on the Brownfields Property when this Notice is recorded and are depicted on the plat component of this Notice, a reduced copy of which is attached as Exhibit B.

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

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

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

iv. Within thirty (30) days of occupancy, the professional engineer shall provide DENR certification under seal that possible entrances for vapors, including without limitation foundation cracks, holes in concrete floors, gaps around pipes and utility lines, major cracks in walls, sumps and floor drains, have been sealed.

v. Within thirty (30) days of occupancy, the professional engineer shall provide DENR certification under seal that the ventilation system was installed per the design

specifications.

b. For new buildings constructed on the Brownfields Property after recordation of this Notice, within thirty (30) days following installation of mechanical ventilation a professional engineer shall provide DENR certification that the ventilation system was installed in accordance with design specifications and complies with the Code.

6. No building may be constructed on the Brownfields Property until DENR has been consulted regarding the proximity of the planned building to the Brownfields Property's volatile contaminant plume. If DENR determines that the footprint of the building would fall within one hundred (100) feet of said plume, it may not be constructed without a vapor barrier system and/or mechanical or passive vapor barrier mitigation system, at DENR's discretion, installed in accordance with a plan approved in writing in advance by DENR. Unperforated sheeting at least six (6) mils thick, a spray membrane liner system consisting of a material resistant to the contaminants listed in paragraph 7 of Exhibit A hereto, or another vapor barrier system may be proposed. No vapor barrier shall be approved that is not to be installed under the entire slab-on-grade foundation of the building, and sealed around any vertical pilings and other support structures underneath the slab, overlapped, and taped, glued or otherwise stabilized, so as to minimize air migration pathways. Within thirty (30) days following installation of the vapor barrier system and/or vapor mitigation system, DENR shall be provided certification of proper installation under seal of a professional engineer registered in North Carolina, as well as photographs illustrating the installation and a brief narrative describing it.

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

8. No basements may be constructed on the Brownfields Property without the written approval of DENR.

9. None of the contaminants known to be present in the environmental media at the Brownfields Property, including those listed in paragraph 7 of Exhibit A hereto, 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.

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

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

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

13. 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.

14. During December in each of the first three (3) years after recordation of this Notice, the groundwater monitoring wells depicted as MW2, MW-3, MW-3D, MW-5, MW-5D, MW-8 and MW-8D on the plat component of this Notice, a reduced copy of which is attached hereto as Exhibit B, shall be sampled by the then current owner of the portions of the Brownfields Property containing those wells. Sampling shall be conducted in accordance with the most current version of the Guidelines of the Inactive Hazardous Sites Branch of DENR's Superfund Section. The samples collected shall be analyzed for volatile organic compounds, pursuant to the most current version of U.S. Environmental Protection Agency Method 8260B, by a laboratory certified pursuant to Title 15A of the North Carolina Administrative Code, Subchapter 2H, Section .0800. Each affected owner shall submit a report detailing the procedures and results of the groundwater monitoring activities, and a summary of historic contaminant concentrations for the sampled wells, with that owner's Land Use Restrictions Update submitted pursuant to Land Use Restriction 15 below. Following the initial three years of monitoring of the wells subject to this Land Use Restriction, DENR shall determine in writing what, if any, further monitoring of those wells is required.

15. During January of each year after the Brownfields Agreement, attached hereto as Exhibit A, becomes effective, the then current owner of any part of the Brownfields Property shall submit a notarized Land Use Restrictions Update to DENR certifying that this Notice remains recorded at the Iredell County Register of Deeds' office, that the Land Use Restrictions are being complied with, and that the heating, ventilation and air conditioning systems of buildings in use on the Brownfields Property are in compliance with the North Carolina State Building Code or another standard approved in writing in advance by DENR.

For purposes of the Land Use Restrictions set forth above, the DENR point of contact shall be the DENR official referenced in paragraph 34.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 Declaration without the approval of the Secretary of DENR (or its successor in function), or his/her delegate, shall be subject to enforcement by DENR to the full extent of the law. Failure by any party required or authorized to enforce any of the above restrictions shall in no event be deemed a waiver of the right to do so thereafter as to the same violation or as to one occurring prior or subsequent thereto.

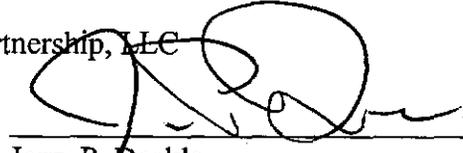
FUTURE SALES, LEASES, CONVEYANCES AND TRANSFERS

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

IN WITNESS WHEREOF, Prospective Developer has caused this instrument to be duly executed this 10th day of February, 2006.

Statesville Partnership, LLC

By:



Jerry P. Deakle
Member/Manager

NORTH CAROLINA
Wake COUNTY

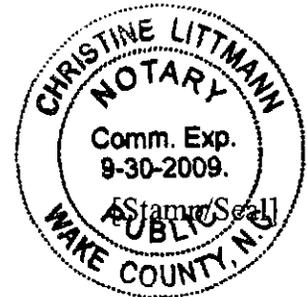
I, Christine Littmann a Notary Public of the county and state aforesaid, certify that Jerry P. Deakle personally came before me this day and acknowledged that he is a Member of Statesville Partnership, LLC, a North Carolina limited liability corporation, and its Manager, and that by authority duly given and as the act of the corporation, the foregoing Notice of Brownfields Property was signed in its name by him/her.

WITNESS my hand and official stamp or seal, this 10th day of February, 2006

Christine Littmann

Name typed or printed:
Notary Public

My Commission expires: 9-30-09



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

The foregoing Notice of Brownfields Property is hereby approved and certified.

North Carolina Department of Environment and Natural Resources

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

February 9, 2006
Date

CERTIFICATION OF REGISTER OF DEEDS

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

Register of Deeds for Iredell 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: Statesville Partnership, LLC

UNDER THE AUTHORITY OF THE)	BROWNFIELDS AGREEMENT re:
BROWNFIELDS PROPERTY REUSE ACT)	V.F. (a.k.a. JZN, Inc.) Site
OF 1997, N.C.G.S. § 130A-310.30, et seq.)	224 Wilson Park Road
BF Project No. 08006-04-49)	Statesville, Iredell County

I. INTRODUCTION

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

Statesville Partnership, LLC is a North Carolina limited liability corporation headquartered at 120 Club Oaks Court, Winston-Salem, NC, 27104. This Agreement concerns land, containing a textile manufacturing plant formerly operated by the V.F. Corporation, that Statesville Partnership, LLC purchased on June 28, 2005 and intends to redevelop for light manufacturing and commercial uses consisting of warehousing, distribution and/or retail. The land is located at 224 Wilson Park Road in Statesville, Iredell County, North Carolina, in the Crawford Road Industrial Park. A map showing the location of the land 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 Statesville Partnership, LLC for contaminants at the property which is the subject of this Agreement.

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

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

II. DEFINITIONS

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

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

III. STATEMENT OF FACTS

3. The Property comprises 5.99 acres. Prospective Developer has committed itself to redevelopment for no uses other than light manufacturing and commercial uses consisting of warehousing, distribution and/or retail.

4. The Property is bordered to the north and east by land used for commercial office and warehousing purposes and owned by the G.L. Wilson Building Company, to the south by Wilson Park Road, and to the west by land used for textile manufacturing and owned by Heritage Knitting Co., LLC.

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
Preliminary Groundwater/Soil Investigation, Jantzen Manufacturing	Salem Environmental, Inc.	January 10, 1994
Phase 2 Environmental Site Assessment: Shallow Groundwater Quality	Certifoam Services, Inc.	April 15, 1994
Extended Site Investigation, Shallow Groundwater Quality	Certifoam Services, Inc.	July 1, 1994
Comprehensive Site Assessment, Former Jantzen Sewing Facility	ERM-Southeast	November 1, 1995
Soil and Ground Water Assessment	ERM-Southeast, Inc.	November 17, 1995
Water Well and PCE User Survey, Including Groundwater Monitoring Analytical Results	ERM-Southeast, Inc.	October 11, 1996
Ground Water Monitoring Report	ERM-Southeast, Inc.	October 31, 2001
Indoor Air Analysis (transmittal of laboratory analytical results)	Paradigm Analytical laboratories, Inc.	January 10, 2005

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

a. The Property was originally developed , by a business known as Brenton Textiles, as a “cut and sew” textile manufacturing facility in the early 1960s. Chlorinated solvents were historically used on-site to dryclean fabrics.

b. Brenton Textiles sold the Property to the V.F. Corporation in 1984. JZN, Inc.

(formerly Jantzen, Inc.), a subsidiary of the V.F. Corporation, operated a textile manufacturing facility from 1984 until the facility closed in 1995.

c. The Property has been idle since 1995 and is currently owned by Statesville Partnership, LLC.

7. The most recent environmental sampling at the Property reported in the Environmental Reports occurred on October 9, 2001. The following tables set forth, for contaminants detected at the Property, the maximum concentration found at each sample location and the applicable standard:

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

Groundwater Contaminant Table

Groundwater Contaminant	Sampled Location	Depth (in feet)	Date	Max. Concentration in Groundwater (ug/l)	N.C. 2L Ground Water Standard (ug/l)
Tetrachloroethene	MW-1	15-30	9/30/94	2.4	0.7
	MW-2	7.5-22.5	8/14/96	255	
	MW-3	15-30	8/14/96	153	
	MW-3D	70-100	10/9/01	40	
	MW-4	7.5-22	5/10/95	93	
	MW-5	7.5-22	2/1/96	7500/3000	
	MW-5D	61-91	10/9/01	1900	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	7600	
	MW-8D	50-80	10/9/01	57	
	IW	399	12/21/93	288	
	OW	705	12/21/93	244	
Trichloroethene	MW-1	15-30	5/10/95	BQL	2.8
	MW-2	7.5-22.5	8/14/96	11	
	MW-3	15-30	2/1/96	29	

	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	5/10/95	BQL	
	MW-5	7.5-22	2/1/96	BQL/280	
	MW-5D	61-91	10/8/01	410	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80	10/9/01	14	
	IW	399	21/21/93	3.1	
	OW	705	12/21/93	28.7	
Trans-1,2-Dichloroethene	MW-1	15-30	5/10/95	BQL	70
	MW-2	7.5-22.5	8/14/96	BQL	
	MW-3	15-30	8/14/96	2.22	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	5/10/95	BQL	
	MW-5	7.5-22	8/14/96	93	
	MW-5D	61-91	5/10/95	BQL	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80		NA	
	IW	399	12/21/93	BQL	
	OW	705	12/21/93	1.7	
cis-1,2-Dichloroethene	MW-1	15-30		NA	70
	MW-2	7.5-22.5		NA	
	MW-3	15-30		NA	
	MW-3D	70-100		NA	
	MW-4	7.5-22		NA	
	MW-5	7.5-22		NA	
	MW-5D	61-91	10/9/01	BQL	
	MW-6	20-35		NA	
	MW-8	20-35	10/9/01	270	
	MW-8D	50-80	10/9/01	6.9	
	IW	399		NA	
	OW	705		NA	
1,2-Dichloropropane	MW-1	15-30	5/10/95	BQL	0.56
	MW-2	7.5-22.5	9/30/94	2.3	
	MW-3	15-30	8/14/96	BQL	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	9/30/94	0.6	

	MW-5	7.5-22	8/14/96	BQL	
	MW-5D	61-91	10/9/01	BQL	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80	10/9/01	BQL	
	IW	399	12/21/93	BQL	
	OW	705	12/21/93	BQL	
Chloroform	MW-1	15-30	5/10/95	BQL	0.19
	MW-2	7.5-22.5	8/14/96	0.573	
	MW-3	15-30	8/14/96	BQL	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	5/10/95	BQL	
	MW-5	7.5-22	8/14/96	2.3	
	MW-5D	61-91	10/9/01	BQL	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80	10/9/01	BQL	
	IW	399	12/21/93	BQL	
	OW	705	12/21/93	BQL	
Methylene Chloride	MW-1	15-30	5/10/95	BQL	5
	MW-2	7.5-22.5	5/10/95	7.3	
	MW-3	15-30	8/14/96	BQL	
	MW-3D	70-100	10/9/01	BQL	
	MW-4	7.5-22	5/10/95	BQL	
	MW-5	7.5-22	8/14/96	BQL	
	MW-5D	61-91	5/10/95	15	
	MW-6	20-35	5/10/95	BQL	
	MW-8	20-35	10/9/01	BQL	
	MW-8D	50-80	10/9/01	BQL	
	IW	399	12/21/93	BQL	
	OW	705	12/21/93	BQL	
ug/l = micrograms/liter or parts per billion BQL = below quantitation limit "/" between dual values = split sample					

b. Soil contaminants (in micrograms per kilogram, the equivalent of parts per billion), the standards for which are derived using the Guidelines of the Inactive Hazardous Sites

Branch of DENR's Superfund Section:

Soil Contaminant Table

Soil Contaminant	Sampled Location	Depth (in feet)	Date	Maximum Concentration in Soil (µg/kg)	Standard (µg/kg)	
Tetrachloroethene	GP-2	8	4/24/95	10	480	
	GP-3	8	4/24/95	210		
	GP-4	15	4/24/95	2.4		
	GP-5	8	4/24/95	27		
	GP-5	15	4/24/95	BQL		
	GP-6	2	4/24/95	BQL		
	GP-14	8	4/24/95	BQL		
	GP-15	2	4/24/95	BQL		
	MW-5D	4	4/24/95	48		
	MW-5D	11	4/24/95	BQL		
	MW-7	3	4/24/95	3.7		
	GEO-20X	5	4/24/95	9.1		
	GEO-20X-10	10	4/24/95	5.7		
1,1,1-Trichloroethane	GP-2	8	4/24/95	BQL	400	
	GP-3	8	4/24/95	BQL		
	GP-4	15	4/24/95	BQL		
	GP-5	8	4/24/95	BQL		
	GP-5	15	4/24/95	BQL		
	GP-6	2	4/24/95	BQL		
	GP-14	8	4/24/95	BQL		
	GP-15	2	4/24/95	BQL		
	MW-5D	4	4/24/95	BQL		
	MW-5D	11	4/24/95	BQL		
	MW-7	3	4/24/95	BQL		
	GEO-20X	5	4/24/95	BQL		

	GEO-20X-10	10	4/24/95	BQL	
ug/kg = micrograms/kilogram or part per billion BQL = below quantitation limit					

8. For purposes of this Agreement DENR relies on Prospective Developer's representations that Prospective Developer's involvement with the Property has been limited to obtaining or commissioning the Environmental Reports, preparing and submitting to DENR a Brownfields Letter of Intent dated April 26, 2004 and amended July 5, 2005, and purchasing the Property on June 28, 2005.

9. 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.

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

IV. BENEFIT TO COMMUNITY

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

- a. a return to productive use of the Property;
- b. an estimated 10-25 jobs;
- c. tax revenue for affected jurisdictions; and
- d. “smart growth” through use of land in an already developed area, which avoids development of land beyond the urban fringe (“greenfields”).

V. WORK TO BE PERFORMED

12. Prospective Developer has made a commitment to donate ten (10) percent of its profit from lease and sales revenue to the North Carolina non-profit corporation named Cherokee Foundation, Inc., and shall do so no less frequently than annually.

13. Within thirty (30) days after the effective date of this Agreement, Prospective

Developer shall notify DENR that it is ready to effect abandonment of all groundwater supply wells and other man-made points of groundwater access at the Property in accordance with Subchapter 2C of Title 15A of the North Carolina Administrative Code. Unless DENR notifies Prospective Developer within ten (10) days of receiving such notification to refrain from such abandonment, Prospective Developer shall effect said abandonment and shall, within thirty (30) days after concluding such abandonment, provide DENR a report setting forth the procedures and results. The provisions of this paragraph shall not be applicable to any man-made points of groundwater access at the Property that are in use pursuant to any order from, or agreement with, an agency of North Carolina state government, or to any monitoring wells in use pursuant to paragraph 15.n. of this Agreement.

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

15. By way of the Notice of Brownfields Property referenced below in paragraph 20, 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. 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 light manufacturing and for the following commercial uses: warehousing, distribution and retail. For purposes of this

restriction, the following definitions apply:

i. "Light manufacturing" means the assembly, fabrication or processing of goods and materials using processes that ordinarily do not create noise, smoke, fumes, odors, glare, or health or safety hazards outside of the building or lot where such assembly, fabrication or processing takes place, where such processes are housed entirely within a building, or where the area occupied by the outdoor storage of goods and material used in such processes does not exceed 25 percent of the floor area of all the buildings on the Property. Light manufacturing for these purposes may not generate process water or wastewater.

ii. "Commercial" refers to an occupation, employment or enterprise carried on for profit by the owner, lessee, or licensee.

iii. "Retail" refers to an activity, the principal use or purpose of which is the sale of goods, products or merchandise directly to the consumer.

b. Surface water and underground water at the Property may not be used for any purpose without the approval of DENR .

c. Other than the monitoring required by Land Use Restriction 14.n. below, no activities that encounter, expose, remove or use groundwater (for example, installation of water supply wells, fountains, ponds, lakes or swimming pools, or construction or excavation activities that encounter or expose groundwater) may occur on the Property without prior sampling and analysis of groundwater to the satisfaction of DENR in any areas proposed for such activities, and submittal of the analytical results to DENR . If such results disclose to DENR contamination in excess of North Carolina's groundwater quality standards, the proposed activities may not

occur without the approval of DENR on such conditions as DENR imposes, including at a minimum compliance with plans and procedures, approved pursuant to applicable law, to protect public health and the environment during the proposed activities.

d. Soil within the area denominated “Area of Potential Soil Contamination” on the plat component of the Notice of Brownfields Property referenced in paragraph 20 below may not be exposed without a minimum of seven (7) business days advance written notice to DENR, unless DENR states otherwise in writing. At the time such soil is exposed, 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 reasonably requires shall be removed and disposed of in accordance with applicable law, and any other actions that DENR reasonably requires to make the Property suitable for the uses specified in this Agreement while fully protecting public health and the environment shall be taken. 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 reasonably requires shall be removed and disposed of in accordance with applicable law or capped to the satisfaction of DENR.

e. Unless compliance with this land use restriction is waived in writing by DENR in advance in regard to particular buildings, no indoor space on the Brownfields Property may be occupied until mechanical ventilation with outdoor air is provided in compliance with the most current version of the Mechanical Ventilation section of the Ventilation chapter of the North Carolina State Building Code (“Code”), or another standard approved in writing in advance by

DENR. If the choice is made to comply with the Code, then i. or ii. below, as applicable, also apply:

i. This subparagraph applies to buildings on the Property at the time this Agreement goes into effect that are depicted on the plat component of the Notice of Brownfields Property referenced in paragraph 20 below.

A. A professional engineer registered in North Carolina shall inspect the mechanical ventilation system, shall document any measures required to bring the system into compliance with the Code and shall prepare construction documents for permitting.

B. A North Carolina heating, ventilation and air-conditioning contractor shall obtain required construction permits and drawings and shall implement any measures documented by the professional engineer.

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

D. Within thirty (30) days of occupancy, the professional engineer shall provide DENR certification under seal that possible entrances for vapors, including without limitation foundation cracks, holes in concrete floors, gaps around pipes and utility lines, major cracks in walls, sumps and floor drains, have been sealed.

E. Within thirty (30) days of occupancy, the professional engineer shall provide DENR under seal certification that the ventilation system was installed per the

design specifications.

ii. For new buildings constructed on the Property after the effective date of this Agreement, within thirty (30) days following installation of mechanical ventilation a professional engineer shall provide DENR certification that the ventilation system was installed in accordance with design specifications and complies with the Code.

f. No building may be constructed on the Property until DENR has been consulted regarding the proximity of the planned building to the Property's volatile contaminant plume. If DENR determines that the footprint of the building would fall within one hundred (100) feet of said plume, it may not be constructed without a vapor barrier system and/or mechanical or passive vapor barrier mitigation system, at DENR's discretion, installed in accordance with a plan approved in writing in advance by DENR. Unperforated sheeting at least six (6) mils thick, a spray membrane liner system consisting of a material resistant to the contaminants listed in paragraph 7 above, or another vapor barrier system may be proposed. No vapor barrier shall be approved that is not to be installed under the entire slab-on-grade foundation of the building, and sealed around any vertical pilings and other support structures underneath the slab, overlapped, and taped, glued or otherwise stabilized, so as to minimize air migration pathways. Within thirty (30) days following installation of the vapor barrier system and/or vapor mitigation system, DENR shall be provided certification of proper installation under seal of a professional engineer registered in North Carolina, as well as photographs illustrating the installation and a brief narrative describing it.

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

h. No basements may be constructed on the Property without the written approval of DENR.

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

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

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

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

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

n. During December in each of the first three (3) years after this Agreement becomes effective, the groundwater monitoring wells depicted as MW2, MW-3, MW-3D, MW-5, MW-5D, MW-8 and MW-8D on the plat component of the Notice referenced below in paragraph 20 shall be sampled by the then current owner of the portions of the Property containing those wells. Sampling shall be conducted in accordance with the most current version of the Guidelines of the Inactive Hazardous Sites Branch of DENR's Superfund Section. The samples collected shall be analyzed for volatile organic compounds, pursuant to the most current

version of U.S. Environmental Protection Agency Method 8260B, by a laboratory certified pursuant to Title 15A of the North Carolina Administrative Code, Subchapter 2H, Section .0800. Each affected owner shall submit a report detailing the procedures and results of the groundwater monitoring activities, and a summary of historic contaminant concentrations for the sampled wells, with that owner's Land Use Restrictions Update submitted pursuant to paragraph 15.o. below. Following the initial three years of monitoring of the wells subject to this Land Use Restriction, DENR shall determine in writing what, if any, further monitoring of those wells is required.

o. During January of each year after this Agreement becomes effective, the then current owner of any part of the Property shall submit a notarized Land Use Restrictions Update to DENR certifying that the Notice of Brownfields Property containing these land use restrictions remains recorded at the Iredell County Register of Deeds' office, that the land use restrictions are being complied with, and that the heating, ventilation and air conditioning systems of buildings in use on the Property are in compliance with the North Carolina State Building Code or another standard approved in writing in advance by DENR.

16. *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.*

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

18. The consequences of achieving or not achieving the desired results will be that the

Property is or is not suitable for the uses specified in the Agreement while fully protecting public health and the environment.

VI. ACCESS/NOTICE TO SUCCESSORS IN INTEREST

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

20. 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 Iredell County, North Carolina Register of Deeds' office. Within three 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.

21. 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 Iredell 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.

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

VII. DUE CARE/COOPERATION

23. The Prospective Developer shall exercise due care at the Property with respect to regulated substances and shall comply with all applicable local, State, and federal laws and regulations. The Prospective Developer agrees to cooperate fully with any remediation of the Property by DENR and further agrees not to interfere with any such remediation. DENR agrees,

consistent with its responsibilities under applicable law, to use reasonable efforts to minimize any interference with the Prospective Developer's operations by any such remediation. In the event the Prospective Developer becomes aware of any action or occurrence which causes or threatens a release of contaminants at or from the Property, the Prospective Developer shall immediately take all appropriate action to prevent, abate, or minimize such release or threat of release, and shall, in addition to complying with any applicable notification requirements under N.C.G.S. 130A-310.1 and 143-215.84, and Section 103 of CERCLA, 42 U.S.C. § 9603, or any other law, immediately notify DENR of such release or threatened release.

VIII. CERTIFICATION

24. By entering into this agreement, the Prospective Developer certifies that, without DENR approval, it will make no use of the Property other than that committed to in the Brownfields Letter of Intent, dated April 26, 2004 and amended July 5, 2005, by which it applied for this Agreement. Those uses are light manufacturing, warehousing, distribution and retail. Prospective Developer also certifies that to the best of its knowledge and belief it has fully and accurately disclosed to DENR all information known to Prospective Developer and all information in the possession or control of its officers, directors, employees, contractors and agents which relates in any way to any regulated substances at the Property and to its qualification for this Agreement, including the requirement that it not have caused or contributed to the contamination at the Property.

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

25. Unless one of the following applies, Prospective Developer shall not be liable to DENR, and DENR covenants not to sue Prospective Developer, for remediation of the Property

except as specified in this Agreement:

- a. The Prospective Developer fails to comply with this Agreement.
- b. The activities conducted on the Property by or under the control or direction of the Prospective Developer increase the risk of harm to public health or the environment, in which case Prospective Developer shall be liable for remediation of the areas of the Property, remediation of which is required by this Agreement, to the extent necessary to eliminate such risk of harm to public health or the environment.
- c. A land use restriction set out in the Notice of Brownfields Property required under N.C.G.S. 130A-310.35 is violated while the Prospective Developer owns the Property, in which case the Prospective Developer shall be responsible for remediation of the Property to 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 this Agreement sets maximum concentrations for contaminants, and new information indicates the existence of previously unreported areas of these contaminants, further remediation shall be required only if the areas of previously unreported contaminants raise the risk of the

contamination to public health or the environment to a level less protective of public health and the environment than that required by this Agreement.

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

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

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

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

27. 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.*

X. PROSPECTIVE DEVELOPER'S COVENANT NOT TO SUE

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

XI. PARTIES BOUND & TRANSFER/ASSIGNMENT NOTICE

29. 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.

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

XII. DISCLAIMER

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

XIII. DOCUMENT RETENTION

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

XIV. PAYMENT OF ENFORCEMENT COSTS

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

XV. NOTICES AND SUBMISSIONS

34. 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:

Jerry Deakle
Statesville Partnership, LLC
120 Club Oaks Court
Statesville, NC, 27104

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

35. 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

36. 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

37. 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.

38. 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.

39. 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.

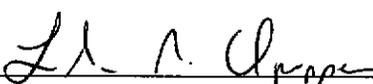
XIX. PUBLIC COMMENT

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

IT IS SO AGREED:

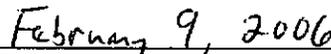
NORTH CAROLINA DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

By:



Linda M. Culpepper

Deputy Director, Division of Waste Management



Date

IT IS SO AGREED:

Statesville Partnership, LLC

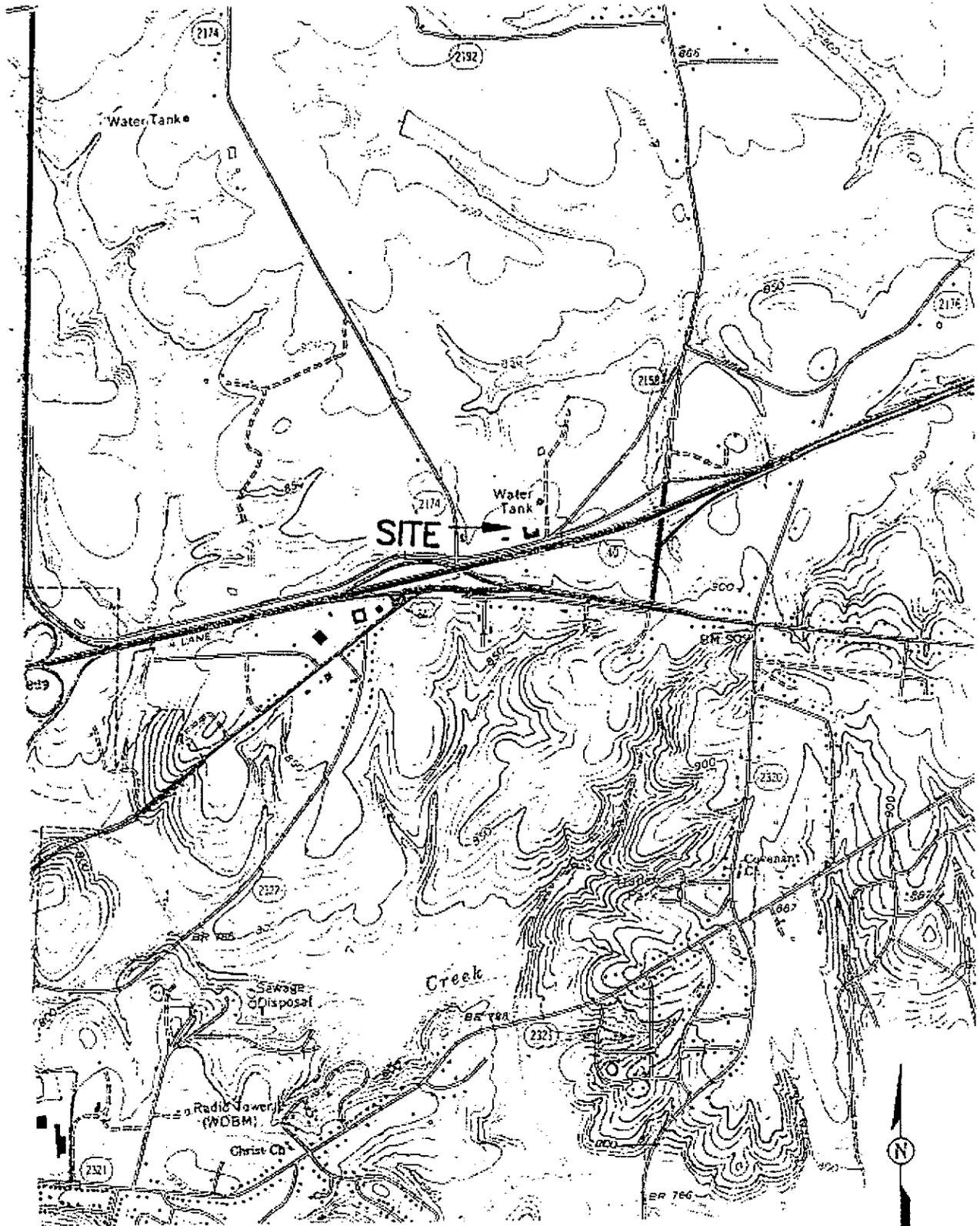
By:



2-10-06

Jerry P Deakle
Managing Member

Date



SOURCE: USGS STATESVILLE EAST, NC
TOPOGRAPHIC QUADRANGLE

SCALE IN FEET
0 1000 2000

S001BR01.DWG 5-12-95 AJ 1=1 KH/RT

SITE LOCATION MAP
JANTZEN MANUFACTURING FACILITY
STATESVILLE, NORTH CAROLINA

Continuance Table

The following tables set forth the legal location and general description of respective jurisdictions and jurisdictions known to exist in the Greenfield project:

Subdivider Jurisdiction	Section	Depth (in feet)	Date	Map Commission No. (City)	NC 21 Jurisdiction (City)	Subdivider
Greenfield Condominium	Lot 1	12-30	8/20/84	254	0.1	Greenfield
	Lot 2	12-30	8/20/84	254	0.1	Greenfield
	Lot 3	12-30	8/20/84	254	0.1	Greenfield
	Lot 4	12-30	8/20/84	254	0.1	Greenfield
	Lot 5	12-30	8/20/84	254	0.1	Greenfield
	Lot 6	12-30	8/20/84	254	0.1	Greenfield
	Lot 7	12-30	8/20/84	254	0.1	Greenfield
	Lot 8	12-30	8/20/84	254	0.1	Greenfield
	Lot 9	12-30	8/20/84	254	0.1	Greenfield
	Lot 10	12-30	8/20/84	254	0.1	Greenfield
Greenfield Condominium	Lot 11	12-30	8/20/84	254	0.1	Greenfield
	Lot 12	12-30	8/20/84	254	0.1	Greenfield
	Lot 13	12-30	8/20/84	254	0.1	Greenfield
	Lot 14	12-30	8/20/84	254	0.1	Greenfield
	Lot 15	12-30	8/20/84	254	0.1	Greenfield
	Lot 16	12-30	8/20/84	254	0.1	Greenfield
	Lot 17	12-30	8/20/84	254	0.1	Greenfield
	Lot 18	12-30	8/20/84	254	0.1	Greenfield
	Lot 19	12-30	8/20/84	254	0.1	Greenfield
	Lot 20	12-30	8/20/84	254	0.1	Greenfield
Greenfield Condominium	Lot 21	12-30	8/20/84	254	0.1	Greenfield
	Lot 22	12-30	8/20/84	254	0.1	Greenfield
	Lot 23	12-30	8/20/84	254	0.1	Greenfield
	Lot 24	12-30	8/20/84	254	0.1	Greenfield
	Lot 25	12-30	8/20/84	254	0.1	Greenfield
	Lot 26	12-30	8/20/84	254	0.1	Greenfield
	Lot 27	12-30	8/20/84	254	0.1	Greenfield
	Lot 28	12-30	8/20/84	254	0.1	Greenfield
	Lot 29	12-30	8/20/84	254	0.1	Greenfield
	Lot 30	12-30	8/20/84	254	0.1	Greenfield

EXHIBIT B:
FULL-SIZE PLAT MAP FILED SEPARATELY



David B. Jordan
P.L.S. H 3890

LAND USE RESTRICTIONS

1. The Greenfield Property is located in the County of Wake, State of North Carolina, and is more particularly described as follows: [Detailed description of the property location and boundaries].

2. The Greenfield Property is subject to the following restrictions:

- The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for residential purposes, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for single-family residential purposes, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.
- The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

1. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

2. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

3. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

4. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

5. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

6. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

7. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

8. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

9. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

10. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

11. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

12. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

13. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

14. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

15. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

16. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

17. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

18. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

19. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

20. The Greenfield Property shall be used only for the purposes set forth in the plat map of the Greenfield Property, and shall not be used for any other purpose.

Exhibit C

statesville part
Being all of that certain tract of land lying in the Statesville Inside
Township, of Iredell
County, North Carolina, and being more particularly described as follows:

Beginning on a pipe found the southeastern corner of the Dockery Family
Limited Partnership (D.B. 1159, Pg. 1854 of the Iredell County Register of
Deeds) and being located N 81-02-13E 200.47' from a solid iron found the
southwestern corner of said Dockery tract. Said solid iron found having
N.C.G.S. Grid Coordinates of N:756,123.93' and E: 1,454,806.10' and being
located from N.C.G.S. Grid Monumnet "PLEUGER" (N: 755,810.13' & E:
1,454,172.25') N 63-39-40E 707.35' (ground distance, combine factor of
0.9998821).

Thence from the beginning point with said Dockery tract 4 calls as follows: 1)
N 03-21-24W 178.97' to a rebar set, 2) N 01-27-06E 77.26' to a rebar set, 3) N
31-48-10E 29.69' to a rebar set, 4) N 01-27-06E 372.48' to a pipe found in the
line of G.L. Wilson Building Co. (D.B. 730, Pg. 522 of the Iredell County
Register of Deeds), said pipe being located N 80-37-41E 799.48 from a pipe
found the northeastern corner of Ingersoll-Dresser Pump Co. (D.B. 866, Pg.
1961 of the Iredell County Register of Deeds), thence with the G.L. Wilson
Building Co. tract 2 calls as follows: 1) N 80-37-41E 410.85' to a rebar set,
2) S 02-22-49W, passing a solid iron found at 634.02', a total distance of
655.38' to an unmarked point at Wilson Park Road (R/W varies): thence with said
Wilson Park Road S 80-34-01W 400.12' to the point and place of beginning.
Containing 6.036 Acres.
This description was taken from a Survey performed by David B. Jordan Dated:
03-26-05.