DEED BOOK

PROJECT NUMBER: 17BP.12.R.104

TIP NUMBER: 540057

COUNTY: Lincoln

ROUTE: SR 1248 (South Fork Road)

Bridge No. 57 on SR 1248 (South Fork Road) over South Fork River in Lincoln County

January 2017

Deed Book Index

TIP No: 540057 **Project No: 17BP.12.R.104** **County(s): LINCOLN**

Project Description: **Replace Bridge #57 on SR 1248 (South Fork Road) over South Fork River**

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NORTH CAROLINA, LINCOLN COUNTY
The following certificates of Christy D. Graham, Notary Public of Lincoln County, NC, and Julia Sauls, Notary Public of Mecklenburg County, NC, are certified to be correct. Presented for registration and recorded November 8, 2000, at 2:50 PM in Book 1204, Page 127.

ELAINE N. HARMON
Register of Deeds for Lincoln County, NC

BY: Judith W. Martin
Asst Register of Deeds

Mail to: Catawba Lands Conservancy
105 West Morehead Street
Charlotte, North Carolina 28202

50.00

STATE OF NORTH CAROLINA
COUNTY OF LINCOLN

PAUL AND AGNES RHYNE CONSERVATION PRESERVE
DEED OF CONSERVATION EASEMENT

THIS DEED OF CONSERVATION EASEMENT is made this 31 day of October, 2000, by LEGACY SHARES, LLC having an address of Post Office Box 38, Lincolnton, North Carolina 28093 (hereinafter referred to as "Grantor") in favor of CATAWBA LANDS CONSERVANCY, a non-profit North Carolina Corporation having its principal office address at 105 West Morehead Street, Charlotte, North Carolina 28202 (hereinafter referred to as "Grantee").

W I T N E S S E T H:

WHEREAS, Grantor is the sole owner in fee simple of the property being approximately 219.7 acres, including approximately 30.7 acres in the South Fork Catawba River, in Lincoln County, North Carolina, and being all of that tract as more particularly described in "Exhibit A" attached hereto and by this reference incorporated herein ("Property"); and,

WHEREAS, the Property possesses natural, scenic, open space, water quality, educational and recreational values (hereinafter referred to collectively as "Conservation Values") of great importance to Grantor, the people of Lincolnton and Lincoln County, North Carolina, and the people of the State of North Carolina; and,

WHEREAS, the Property is a significant natural area that qualifies in its present condition as a "relatively natural habitat of fish, wildlife, or plants, or similar ecosystem," as that phrase is used in Section 170(h) (4)(A)(ii) of the Internal Revenue Code of 1986, as amended (the "Code"), and in regulations promulgated thereunder; and,

WHEREAS, the Property can provide an important habitat for a diversity of uncommon plant species in the Piedmont of North Carolina including Mountain laurel, bald cypress, the federally threatened dwarf heartleaf ginger, and a variety of ferns and other plant species not common in the region; and,

WHEREAS, the Property borders approximately two miles along both sides of the South Fork Catawba River, the topography changing from gentle floodplain to slopes of over 50 degrees and drops of more than 70 feet; because it has a range of soil types, wetlands, sandy beach, rock outcroppings and varying hydrology; and provides water quality benefits associated

with its forested riparian buffers; and provides scenic vistas across the South Fork of the Catawba River; and,

WHEREAS, the Property can provide a significant and substantial public benefit in the form of relief from urban closeness as the neighboring City of Charlotte and Mecklenburg County continue to expand and increase in population; and,

WHEREAS, the Board of Directors of the Catawba Lands Conservancy have approved acceptance of the site, known as the Paul and Agnes Rhyne Conservation Preserve, because it fulfills the requirements of the Conservancy's adopted Acquisition Criteria; and

WHEREAS, the specific Conservation Values of the Property are documented in an inventory of relevant features of the Property, titled "Paul and Agnes Rhyne Conservation Preserve Conservation Easement Baseline Report," dated October 2, 2000, on file at the offices of Grantee, said inventory consisting of reports, maps, photographs, and other documentation (hereinafter referred to as "Baseline Documentation"), which the parties agree provide an accurate representation of the Property at the time of this conveyance and which is intended to serve as an objective information baseline for monitoring compliance with the terms of this Deed of Conservation Easement; and

WHEREAS, Grantor intends that the Conservation Values of the Property be preserved and maintained by the continuation of land use patterns, including, without limitation, those relating to its natural vegetation and limited uses existing at the time of this grant that do not significantly impair or interfere with those values; and

WHEREAS, Grantor further intends, as owner of the property, to convey to Grantee the right to preserve and protect the Conservation Values of the Property in perpetuity; and

WHEREAS, Grantee is a publicly supported, tax-exempt non-profit organization, qualified under Section 501(c)(3) of the Code, whose primary purpose is the preservation, protection and enhancement of land in its natural, scenic or open space condition, and is authorized by the laws of the State of North Carolina to accept, hold and administer interest in land including conservation easements; is willing to accept this Conservation Easement under the terms and conditions hereinafter described; and is a "qualified organization" and an "eligible donee" within the meaning of Section 170(h)(3) of the Code and the regulations promulgated thereunder; and,

WHEREAS, Grantee agrees by accepting this conveyance to honor the intentions of Grantor stated herein and to use its reasonable efforts to preserve and protect in perpetuity the Conservation Values of the Property for the benefit of this generation and generations to come;

NOW, THEREFORE, in consideration of the premises and the mutual covenants, terms, conditions and restrictions contained herein, and pursuant to the laws of North Carolina and in particular the Historic Preservation and Conservation Agreements Act as set forth under N.C.G.S. Sections 121-34, et seq., Grantor hereby voluntarily grants and conveys to Grantee a

Conservation Easement in perpetuity over the Property of the nature and character and to the extent hereinafter set forth (hereinafter referred to as "Easement").

1. Purpose. It is the purpose of this Deed of Conservation Easement to assure that the Property will be retained forever in its natural, undeveloped, scenic and open space condition (subject to the terms of this document), and to prevent any use of the Property that will significantly impair or interfere with the Conservation Values of the Property.

2. Rights of Grantee. To accomplish the purpose(s) of this Deed of Conservation Easement the following rights are conveyed to Grantee:

(a) To preserve and protect the Conservation Values of the Property;

(b) To enter upon the Property at reasonable times in order to use the Property as permitted herein (including without limitation for education and conservation projects), monitor Grantor's compliance with and otherwise enforce the terms of this Deed of Conservation Easement; provided, however, that such entry shall be upon prior reasonable notice to Grantor, and Grantee shall not unreasonably interfere with Grantor's use and quiet enjoyment of the Property as long as such use does not interfere with the Conservation Values;

(c) To prevent any activity on or use of the Property that is inconsistent with the purpose(s) of this Deed of Conservation Easement and to require the restoration of such areas or features of the Property that may be damaged by any inconsistent activity or use, all pursuant to Paragraph 6 below; and

(d) All development rights for the Property, except as otherwise reserved and provided in Paragraphs 3 and 4 below, that are now or hereafter inherent in the Property. The parties agree that such rights, except as otherwise reserved and provided in Paragraphs 3 and 4 below, are terminated and extinguished and may not be used on or transmitted to any portion of the Property, as it now or hereafter may be bounded or described, or to any other property.

3. Prohibited Uses. Any activity on or use of the Property inconsistent with the purpose(s) of this Deed of Conservation Easement is prohibited by Grantor and Grantee. Without limiting the generality of the foregoing, and, except as otherwise provided in Paragraph 4 below, the following activities on and uses of the Property are expressly prohibited:

(a) The legal or de facto subdivision of the Property for any purpose.

(b) Any commercial, agricultural or industrial use of or activity on the Property other than those related to passive recreation or education related to Conservation Values.

(c) The placement or construction of any buildings, structures, or other improvements of any kind other than walking trails and related benches, parking, signage, fencing and the like installed by Grantor or by Grantee after first receiving permission by Grantor.

(d) Any alteration of the surface of the land including, without limitation, the excavation or removal of soil, sand, gravel, rock or sod except as permitted in Paragraph 3(c) above or for the purposes of combating erosion or incidental to any conservation management activities otherwise permitted in this Conservation Easement.

(e) Any use or activity that causes or is likely to cause significant soil degradation or erosion or significant pollution of any surface or sub-surface waters.

(f) Except as permitted in Paragraph 3(c) above, the pruning, cutting down or other destruction or removal of live trees or timber harvesting on the Property, except as necessary, in accordance with generally accepted forestry conservation practices to control or prevent hazard, disease or fire on the Property or to restore or enhance the hydrology and protection of native plant species on the Property. Such forestry conservation practices shall be done in accordance with a plan prepared in consultation with a registered professional forester or other conservation professional and approved by Grantee that is designed to protect the Conservation Values of the Property including, without limitation, scenic and wildlife habitat values.

(g) Dumping or other disposal of wastes, refuse and debris on the Property.

(h) The above ground installation of new utility systems or extensions of existing systems, including, without limitation, water, sewer, power, fuel and communication lines and related facilities, and any underground installation unless all disturbance is reasonably restored.

(i) Placement of any signs or billboards on the Property, other than signs related to Conservation Values whose placement, number, and design do not significantly diminish the scenic character of the Property, and signs or other monumentation related to or publicizing the Paul and Agnes Rhyne Conservation Preserve.

(j) The exploration for, or development and extraction of, minerals and hydrocarbons by any surface mining method or any other method that would impair or interfere with the Conservation Values of the Property.

(k) Recreational uses of the property except as described in Paragraph 4 below as permitted by and reserved to Grantor. Without limiting the foregoing, no hunting shall be permitted on the Property except as those rights are reserved to Grantor below. Only motorized vehicles which are used for management/maintenance purposes or for emergency access are permitted on trails.

4. Reserved Rights. Notwithstanding the provisions of Paragraph 3 above, Grantor reserves to itself, and to its successors and assigns, all rights accruing from its ownership of the Property, including the right to engage in or permit or invite others to engage in all uses of the Property that are not expressly prohibited herein and are not inconsistent with the purpose(s) of

this Deed of Conservation Easement. Without limiting the generality of the foregoing, the following rights are expressly reserved:

(a) To engage in and permit others to engage in passive recreational uses of the Property, including, without limitation, walking, hiking, fishing, hunting, rock climbing, boating, primitive camping, horseback riding, bicycle riding, swimming and animal or plant observation.

(b) To have pedestrian and vehicular access across a road (made of gravel or other similar porous substance) (to include parking for motor vehicles) to the power house and dam ("Tract 5 Outparcel") located on the South Fork of the Catawba River just south of Rhyne Mills, Inc. Plant No. 1 (now owned by Carolina Mills, Inc.). Said Tract 5 Outparcel, consisting of approximately 0.8 acres not included in this Conservation Easement, includes the dam itself, the tail race and property needed to operate the dam for the generation of hydroelectric power. Grantor may construct a parking area for up to 10 (ten) vehicles on the Property immediately adjacent to Tract 5 Outparcel. Said parking area must be constructed of gravel or other similar porous substance and is subject to notification and approval of Grantee as described in Paragraph 5 and 5.1 below. Nothing within this Conservation Easement shall prevent Grantor from making the dam property operational for the generation of electricity.

(c) To build, construct, maintain, and repair roads, sidewalks, and entrances, (herein "roads") to allow access to lands of the Grantor which are not encumbered by this Conservation Easement, and to access to and from lands of Grantor which are not encumbered by this Conservation Easement but which are being separated by this Conservation Easement. Grantor may not build more than one (1) such road on each (or both) sides of the South Fork of the Catawba River and one (1) such road to give access to parcels which are being separated by this Conservation Easement. The roads may be of sufficient width to allow vehicular traffic in both directions (up to four (4) lanes) but in no event may they be wider than sixty-six (66) feet. Roads shall be constructed in a manner that minimizes the impact on the natural and hydrologic features of the land consistent with maintaining the Conservation Values of the Property. Any road construction or any improvement that involves widening, extending, or significantly altering the road's surface requires notification by Grantor, as described in Paragraph 5 below. The roads may be constructed of non-porous materials such as asphalt and concrete and shall not be required to be constructed of gravel or other porous materials.

(d) To maintain, repair, improve, enlarge, and relocate that road running from South Fork Road to the former Rhyne Mills Plants Nos. 4 and 5 (said road commonly referred to as "Charlottes Lane"). Said road serves and may continue to serve the former Rhyne Mills office building (including access to the creek and water tank behind the building), the rental house occupied by Roy Standley, the home of Jamey and Charlotte Farmer, the block warehouse of the former Rhyne Mills, the water tower behind Plants 4 and 5, and adjacent land. Any improvement that involves relocating, widening, extending, or significantly altering the road's surface requires notification by Grantor, while ONLY in the case of relocation is approval by Grantee required, as described in Paragraph 5 and 5.1 below.

(e) To build, construct, enlarge, relocate, maintain, and repair a linear park (also sometimes referred to as a rail trail, greenway, walking track, running track, bicycle track, trail, or park) along, over, and adjacent to the abandoned railroad corridor that runs through the property along the east bank of the South Fork Catawba River; to join or connect such a linear park with another linear park or similar feature on land adjoining the Property; and to do all things deemed appropriate by the Grantor, its successors or assigns for the use of the abandoned railroad property as a linear park. Said linear park along the railroad corridor shall be contained within 15 (fifteen) feet on either side of the centerline of the former railroad right of way.

(f) To use, rent, occupy, repair, maintain, or relocate all improvements now existing on the property, including but not limited to:

(i) The rental house between the Rhyne Mills, Inc. office building and the home of Jamey and Charlotte Farmer (said house shall not be relocated to other lands encumbered by this Easement);
(ii) The cinder block warehouse located off Charlottes Lane (said warehouse shall not be relocated to other lands encumbered by this Easement);
(iii) The water tanks located near the Rhyne Mills office building and behind former Rhyne Mills, Inc. Plant Nos. 4 and 5;
(iv) Wells and water lines;
(v) Septic tanks and septic systems;
(vi) Fences, walls, gates, and pedestrian bridges over waterways.

(g) To use, rent, occupy, repair, maintain, expand, or relocate the office building formerly housing the company offices of Rhyne Mills, Inc. and its parking area. The parking area may be expanded for an additional 10 (ten) cars on the Property, subject to notification and approval by the Grantee as described in Paragraph 5 and 5.1 below.

(h) To use not more than 4 (four) acres of the Property for parking, septic drain fields, utilities, or other support or ancillary uses necessary for the use, maintenance, and expansion of the facilities commonly referred to as Rhyne Mills Plant Nos. 2 and 3, which are not encumbered by this Deed of Conservation Easement, including uses expanded from any made in the past. Use of any of the Property for these purposes requires the input and notification of the Grantee as described in Paragraph 5 and 5.1 below.

(i) The right to sell, give, mortgage, lease, or otherwise convey the Property subject to the terms of this Conservation Easement. No provisions of this Conservation Easement should be construed as impairing the ability of Grantor to use this Property as collateral for subsequent borrowing, provided that any mortgage or lien arising from such a borrowing would be subordinate to this Conservation Easement.

(j) Grantee acknowledges the existence and validity of easements granted to Carolina Mills, Inc. for access to the former Rhyne Mills, Inc. Plant No. 1 from Charlottes Lane and via the existing abandoned railroad corridor, as well as a water line easement running from the former Rhyne Mills, Inc. Plant No. 1 to South Fork Road, and further acknowledges that as

of the date of this document, the existence and current uses of such easements may continue and do not impair or interfere with the Conservation Values of the Property.

(k) To engage in and permit others to engage in other uses of the Property which are not specifically prohibited in Section 3 above and do not threaten the Conservation Values of the Property.

5. Notice of Intention to Undertake Certain Permitted Actions. Grantor shall notify Grantee in writing before undertaking or permitting any use of the Property as described under Paragraphs 4 (c), 4 (d), 4(h) and 4(i) above. Grantor shall notify Grantee in writing, and receive Grantee's written approval before undertaking or permitting any use of the Property as described under Sub-paragraphs 4(b), 4(d) {relocation only}, or 4(g) above. The purpose of requiring Grantor to notify Grantee prior to undertaking certain permitted activities, as provided in the above Sub-paragraphs, is to afford Grantee an opportunity to ensure that the activities in question are designed and carried out in a manner consistent with the purpose(s) of this Conservation Easement. Whenever notice is required, Grantor shall notify Grantee in writing not less than thirty (30) days prior to the date Grantor intends to undertake the activity in question. The notice shall describe the nature, scope, design, location, timetable, and any other material aspect of the proposed activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the purpose(s) of this Conservation Easement.

5.1 Grantee's Approval. Where Grantee approval is required, Grantee shall grant or withhold its approval in writing within fifteen (15) days of receipt of Grantor's written request therefore. Grantee's approval may be withheld only upon a reasonable determination by Grantee that the action as proposed would be inconsistent with the purposes of the Conservation Easement.

5.2 Arbitration. If a dispute arises between the parties concerning the consistency of any proposed use or activity with the terms of this Deed of Conservation Easement either party may refer the dispute to arbitration by request made in writing upon the other. Within thirty (30) days of the receipt of such a request, the parties shall select a single arbitrator to hear the matter. If the parties are unable to agree on the selection of a single arbitrator, then each party shall name one arbitrator and the two arbitrators thus selected shall select a third arbitrator. Provided, however, if either party fails to select an arbitrator, or if the two arbitrators selected by the parties fail to select the third arbitrator within thirty (30) days after the appointment of the second arbitrator, then in each such instance a proper court, on petition of a party, shall appoint the second or third arbitrator or both, as the case may be, in accordance with North Carolina law. The matter shall be settled in accordance with North Carolina law, and a judgment on the arbitration award may be entered in any Court having jurisdiction thereof.

6. Grantee's Remedies. If Grantee determines that Grantor is in violation of the terms of this Deed of Conservation Easement or that a violation is threatened, Grantee shall give written notice to Grantor of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Property resulting from any use or activity inconsistent with the purpose of this Deed of Conservation Easement, to restore the portion of the Property so injured. If Grantor fails to cure the violation within thirty (30) days

after receipt of notice thereof from Grantee, or under circumstances where the violation cannot reasonably be cured within said period, fails to begin curing such violation within the thirty (30) day period, or fails to continue diligently to cure such violation until finally cured, Grantee may bring an action at law or in equity to enforce the terms of this Deed of Conservation Easement, to enjoin the violation by temporary or permanent injunction or both, to recover any damages to which it may be entitled for violation of the terms of this Deed of Conservation Easement or injury to any Conservation Values protected by this Deed of Conservation Easement, including damages for the loss of scenic, aesthetic or environmental values, and to require the restoration of the Property to the condition that existed prior to any such injury. Without limiting Grantor's liability therefore, Grantee, in its sole discretion, may apply any damages recovered to the cost of undertaking any corrective action on the Property.

6.1 Grantee's Discretion. Enforcement of the terms of this Deed of Conservation Easement shall be at the discretion of Grantee, and any forbearance by Grantee to exercise its rights hereunder in the event of any breach of any term set forth herein by Grantor shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Deed of Conservation Easement or of any of Grantee's rights. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver, except as otherwise expressly stated in this Deed of Conservation Easement.

6.2 Acts Beyond Grantor's Control. Nothing contained in this Deed of Conservation Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes. The Grantor shall have no liability for damages caused by third parties.

7. Access. Grantor acknowledges and agrees Grantee shall be permitted to allow public access to the Property for the purpose of conducting educational tours, scientific study, maintenance of the Property and any other purpose related to Grantee's primary effort to preserve and maintain the Property and offer an opportunity to educate the public as to the Conservation Values of the Property. As consideration for such access, Grantee and (to the extent Grantee can bind such parties) its members, directors, officers, agents and contractors and the heirs, personal representatives, successors and assigns of each of them, covenant not to seek legal relief from Grantor for any personal injury or property damage claims which they may have in the future related to or associated with gaining access to the Property for these purposes; and all such guests entering upon the Property shall assume sole risk for bodily injury or property loss.

8. Costs and Liabilities. Grantor retains all responsibility and shall bear all costs related to the ownership, operation, upkeep, and maintenance of the Property (excluding improvements made by Grantee at its own cost and expense) including the maintenance of adequate comprehensive general liability insurance coverage. Grantor shall keep the Property free of any and all liens arising out of any work performed for, materials furnished to, or

obligations incurred by Grantor. Nothing herein shall prevent Grantee from contributing to the operation, maintenance, and upkeep of the Property with the consent and permission of the Grantor.

9. Taxes. Grantor shall pay before delinquency all property or other taxes, assessment, fees, and charges of whatever description levied on or assessed against the Property by competent governmental authority (hereinafter referred to collectively as "Taxes"), including any Taxes imposed upon, or incurred as a result of, this Deed of Conservation Easement, and shall furnish Grantee with satisfactory evidence of payment upon request.

10. Extinguishment. If circumstances arise in the future such as render the purpose(s) of this Deed of Conservation Easement impossible to accomplish, this Deed of Conservation Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction, and the amount of the proceeds to which Grantee shall be entitled, after the satisfaction of prior claims, from any sale, exchange or involuntary conversion of all or any portion of the Property subsequent to such termination or Extinguishment, shall be determined, unless otherwise provided by North Carolina law at the time, in accordance with Paragraph 10.1. Grantee shall use all such proceeds in a manner consistent with the conservation purposes of this grant.

10.1 Proceeds. The Deed of Conservation Easement constitutes a real property interest immediately vested in Grantee, which, for the purposes of Paragraph 10, the parties stipulate to have a fair market value determined by multiplying the fair market value of the Property unencumbered by the Easement (minus any increase in value after the date of this grant attributable to improvements) by the ratio of the value of the Easement at the time of this grant to the value of the Property, without deduction for the value of the Easement, at the time of this grant. The values used to arrive at the fair market value of the Easement shall be those values used to calculate the deduction for federal income tax purposes allowable by reason of this grant, pursuant to Section 170(h) of the Code and the applicable regulations promulgated thereunder. For the purposes of this paragraph, the ratio of the value of the Easement to the value of the Property unencumbered by the Easement shall remain constant.

10.2 Condemnation. If the Easement or any other right or interest hereunder is taken, in whole or in part, by exercise of the power of eminent domain, Grantee shall be entitled to compensation as it may be due in accordance with applicable law.

11. Assignment. The Easement and other rights and interests hereunder are transferable, but Grantee may assign its rights and obligations hereunder only to an organization that is a "qualified organization" at the time of the transfer within the meaning of Section 170(h)(3) of the Code and the applicable regulations promulgated thereunder, and authorized to acquire and hold conservation easements under the Historic Preservation and Conservation Agreements Act as set forth under NCGS Section 121-34, et seq., or any successor provision thereto. As a condition of such transfer, Grantee shall require that the conservation purposes intended to be advanced hereunder shall be continued to be carried out.

12. Subsequent Transfers. Grantor agrees to incorporate by specific reference the terms of this Deed of Conservation Easement in any deed or other legal instrument by which it divests itself of any interest in all or a portion of the Property, including, without limitation, a leasehold interest. Grantor further agrees to give written notice to Grantee of the transfer of any interest at least sixty (60) days prior to the date of such transfer. The failure to perform any act required by this provision shall not impair the validity of this Deed of Conservation Easement or limit its enforceability in any way.

13. Right of First Opportunity. The Grantee has the Right of First Opportunity to acquire the Property, or any portion thereof, in the event that Legacy Shares, LLC chooses to market the Property. Grantee's Right of First Opportunity (herein "ROFO") shall operate in the following manner. If Legacy Shares, LLC elects to market the Property it shall notify Grantee of Grantor's proposed price and terms, and Grantee shall have the right for a period of thirty (30) days after receipt of Grantor's notice of ROFO to either accept or reject the price and terms proposed by Legacy Shares, LLC. If Grantee accepts the proposal of Legacy Shares, LLC, it shall give written notice of such acceptance within said thirty (30) day period and upon such acceptance, the parties shall be committed to close on such terms within thirty (30) days after acceptance by Grantee. If, however, Grantee rejects the proposed terms of Legacy Shares, LLC, it shall likewise give notice of such rejection and Legacy Shares, LLC shall have the unencumbered right to market and sell the Property to any other party at any time thereafter. If Grantee fails to give notice of either acceptance or rejection within said thirty (30) day period, Grantee shall be deemed to have rejected the proposal of Legacy Shares, LLC. The ROFO granted in this Paragraph shall not apply to a transfer by Legacy Shares, LLC to an affiliate of such entity or an affiliate of any of the constituent members of Legacy Shares, LLC. Likewise, Grantee's ROFO shall not apply to subsequent sales of the Property by successors in title of Legacy Shares, LLC, but only to the first marketing by Legacy Shares, LLC.

14. Estoppel Certificate. Upon request by Grantor, Grantee shall within thirty (30) days execute and deliver to Grantor any reasonable document, including an estoppel certificate, which certifies, to the knowledge of Grantee, Grantor's compliance with any obligation of Grantor contained herein and otherwise evidences the status of the Easement as may be reasonably requested by Grantor.

15. Notices. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

To Grantor: Legacy Shares LLC
Attention: Jonathan L. Rhyne, Jr.
Post Office Box 38
Lincolnton, North Carolina 28093

To Grantee: Attention: Director, Catawba Lands Conservancy
105 West Morehead Street
Charlotte, North Carolina 28202

or to such other address as either party from time to time shall designate by written notice to the other.

16. Recordation. Grantee shall record this instrument in the office of the Register of Deeds for Lincoln County, North Carolina, and may re-record it at any time as may be required to preserve its rights in the Easement.

17. General Provisions.

(a) Controlling Law. The interpretation and performance of this Deed of Conservation Easement shall be governed by the laws of the State of North Carolina.

(b) Severability. If any provision of this Deed of Conservation Easement, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Deed of Conservation Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

(c) Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Deed of Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Deed of Conservation Easement, all of which are merged herein.

(d) Amendment. If circumstances arise under which an amendment to or modification of this Deed of Conservation Easement would be appropriate, Grantor and Grantee may amend this Deed of Conservation Easement provided that no amendment shall be allowed that will affect the qualification of this Deed of Conservation Easement or the status of Grantee under any applicable laws, including N.C.G.S. 121-34 or any succeeding statute thereto, or Section 170(h) of the Code and the applicable regulations promulgated thereunder, and any amendment shall be consistent with the purpose(s) of this Deed of Conservation Easement and shall not affect its perpetual duration. Any such amendment or modification must be executed by both Grantor and Grantee and shall be recorded in the public registry of Lincoln County.

(e) No Forfeiture. Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

(f) Successors. The covenants, terms, conditions and restrictions of this Deed of Conservation Easement shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors and assigns and shall continue as a servitude running in perpetuity with the Property.

(g) Termination of Rights and Obligations. A party's rights and obligations under this Deed of Conservation Easement shall terminate upon the transfer of the party's interest in the Easement or Property to a party assuming its obligations hereunder, except that liability for acts or omissions occurring prior to transfer shall survive transfer, but the Easement

shall not be affected by such transfer, the transferee having the rights and obligations of the transferring party.

(h) Executor Limitation. If Grantee shall cease to exist or to be a "qualified organization" within the meaning of Section 170(h)(3) of the Code and the applicable regulations promulgated thereunder, or to be authorized to acquire and hold conservation easements under N.C.G.S. 121-34, and a prior assignment is not made pursuant to Paragraph 11 above, then Grantee's rights and obligations under this Deed of Conservation Easement shall become immediately vested in such organization as a Court of competent jurisdiction shall direct pursuant to North Carolina law and with due regard to the requirements for an assignment pursuant to said Paragraph 11.

(i) Captions. The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

(j) Counterparts. The parties may execute this instrument in two or more counterparts, which shall in the aggregate, be signed by both parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

(k) Merger. The parties agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interest in the Property.

(l) Acceptance and Effective Date. As attested by the Seal of the Grantee and the signature of its authorized representative affixed hereto, the Grantee hereby accepts without reservation the rights and responsibilities conveyed by this Deed of Conservation Easement. This Deed of Conservation Easement is to be effective the date recorded in the Lincoln County Registry of Deeds.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns forever.

IN WITNESS THEREOF, the parties hereto have subscribed their names and affixed their seals the day and year first above written, all with authority duly given.

GRANTOR: LEGACY SHARES, LLC

By: _____
Member/Manager

GRANTEE: CATAWBA LANDS CONSERVANCY

By: _____
_____President

(Corporate Seal)

STATE OF NORTH CAROLINA
COUNTY OF LINCOLN

I, a Notary Public of the County and State aforesaid, certify that Johnathan L. Rhyne, Jr. personally appeared before me this day and acknowledged that s/he is Member/Manager of LEGACY SHARES, LLC, a North Carolina Limited Liability Company, and that by authority duly given and as an act of the company, the foregoing instrument was signed in its name by Johnathan L. Rhyne, Jr., Member/Manager and sealed with its company seal.

WITNESS my hand and official stamp or seal, this the 31st day of October, 2000.

Christy D. Graham
Notary Public

My Commission Expires: 8/5/03

CHRISTY D. GRAHAM NOTARY PUBLIC LINCOLN COUNTY, N.C.

COMPANY SEAL

STATE OF NORTH CAROLINA
Mecklenburg COUNTY

I, Julia Sauls, a Notary Public of the County and State aforesaid, certify that Richard Bierregaard Jr. personally appeared before me this day and acknowledged that s/he is President of Catawba Lands Conservancy, a North Carolina corporation, and that s/he, as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and notarial seal this the 6th day of November, 2000.

Julia Sauls (Seal)
NOTARY PUBLIC

My commission expires: My Commission Expires March 7, 2001

JULIA SAULS NOTARY PUBLIC MECKLENBURG COUNTY, N.C.

1908160.02
LIB: CH

ATTACHMENTS TO THE DEED OF CONSERVATION EASEMENT:

Exhibit A – Legal Description of Paul and Agnes Rhyne Conservation Preserve Conservation Easement.

NOT ATTACHED TO DEED OF CONSERVATION EASEMENT:

Baseline Documentation – Report entitled "Paul and Agnes Rhyne Conservation Preserve Conservation Easement Baseline Report," dated October 2, 2000 – prepared by Sonia Perillo, Land Protection Coordinator, for Legacy Shares, LLC.

Being all that tract of land lying and being in Lincolnton Township, Lincoln County, North Carolina and being made up of five (5) smaller tracts shown on a survey prepared for Paul and Agnes Rhyne Conservation Preserve and Catawba Lands Conservancy, dated December 8, 1999, by Graylon W. Pippin, PLS, Pippin Land Surveying, Job Number 990411 and more particularly described as follows:

TRACT 1: BEGINNING at a new iron pin located in the boundary line of the property of Legacy Shares, L.L.C., and a new corner with South Fork Holdings, Inc., now or formally, as described in Deed Book 854 Page 325, said new iron pin having North Carolina Grid Coordinates N=619,349.3310 feet, E=1,329,758.5893 feet and being located N 89 57 14 W, 542.76 feet from an existing iron pin having North Carolina Grid Coordinates N=619,348.8942 feet, E=1,330,301.3491; thence from the point and place of beginning with and along the boundary line of the property of Legacy Shares, L.L.C. N 89 57 14 W, 324.96 feet to an existing iron pin; thence continuing along same line N 89 57 14 W, 25.04 feet to a point on the east top of bank of South Fork River; thence with said line following the east top of bank of said river the following eleven (11) courses and distances:

1) S 03 12 41 W, 100 feet
2) S 05 07 39 W, 100 feet
3) S 09 28 36 W, 100 feet
4) S 10 02 15 W, 100 feet
5) S 17 11 13 W, 100 feet
6) S 19 59 23 W, 100 feet
7) S 24 15 28 W, 100 feet
8) S 26 38 38 W, 100 feet
9) S 27 52 23 W, 100 feet
10) S 29 07 48 W, 100 feet
11) S 34 22 47 W, 100 feet

to a point; thence crossing said river N 05 11 49 W, 179.96 feet to a new iron pin set on the West top of bank on the common line with South Fork River Estates, Map Two, Phase Two, Plat Book F, Page 305; thence with said line N 05 11 49 W, 549.74 feet to an existing rebar being a common corner with South Fork Holdings, Inc., Deed Book 854, Page 325; thence with a new line the following twelve (12) courses and distances at new iron pins set:

1) N 02 23 20 E, 1409.57 feet
2) N 13 50 49 E, 1408.16 feet
3) N 47 47 32.3 E, 237.79 feet
4) N 76 20 27 E, 378.77 feet
5) N 59 10 34.4 E, 199.99 feet
6) N 25 24 00.2 W, 46.08 feet
7) N 70 53 59.3 W, 194.84 feet
8) N 84 19 05.6 W, 260.16 feet
9) N 84 07 30 W, 537.23 feet
10) N 87 47 27 W, 496.91 feet
11) S 05 04 50.7 E, 150.00 feet
12) S 85 08 34 W, 400.00 feet

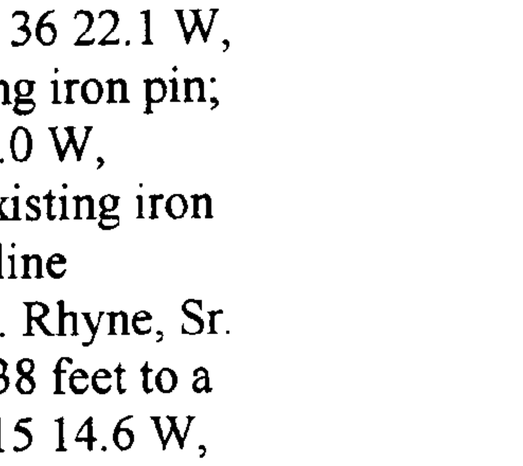
to an existing iron pin being a corner with Rhyne Mills, Inc., Deed Book 854, Page 325; thence with said line N 05 04 50.7 W, 220.47 feet to a new iron pin being on the southern

NORTH CAROLINA PROFESSIONAL SEAL L-3219 LAND SURVEYOR GRAYLON W. PIPPIN

margin of South Fork Road (60 Foot Public right-of-way); thence with said margin the following thirty-three (33) courses and distances:

1) N 87 22 44.3 W, 37.51 feet
2) N 86 21 13.7 E, 100.46 feet
3) N 85 30 08.2 E, 100.33 feet
4) N 84 55 04.4 E, 100.54 feet
5) N 83 11 37.2 E, 100.71 feet
6) N 82 04 10.8 E, 100.56 feet
7) N 80 44 52.0 E, 100.63 feet
8) N 79 26 35.1 E, 100.07 feet
9) N 80 25 31.7 E, 49.10 feet
10) N 82 50 57.0 E, 48.02 feet
11) N 87 51 32.7 E, 47.55 feet
12) S 87 52 41.7 E, 48.10 feet
13) S 84 48 45.6 E, 49.16 feet
14) S 84 49 24.9 E, 101.41 feet
15) S 84 54 34.2 E, 100.16 feet
16) S 85 17 41.4 E, 99.95 feet
17) S 84 53 26.8 E, 99.71 feet
18) S 84 22 00.6 E, 99.47 feet
19) S 82 53 03.0 E, 73.81 feet
20) S 79 49 09.9 E, 73.23 feet
21) S 76 37 47.0 E, 72.99 feet
22) S 72 52 22.2 E, 72.42 feet
23) S 66 58 25.1 E, 71.47 feet
24) S 59 48 42.5 E, 71.49 feet
25) S 53 34 52.8 E. 71.99 feet
26) S 49 34 54.7 E, 98.68 feet
27) S 48 42 20.4 E, 99.87 feet
28) S 48 35 08.6 E, 329.81 feet
29) S 48 36 06.2 E, 94.63 feet
30) S 48 39 01.1 E, 100.88 feet
31) S 50 50 50.0 E, 52.16 feet
32) S 55 49 26.7 E, 52.53 feet
33) S 61 39 43.2 E, 32.50 feet

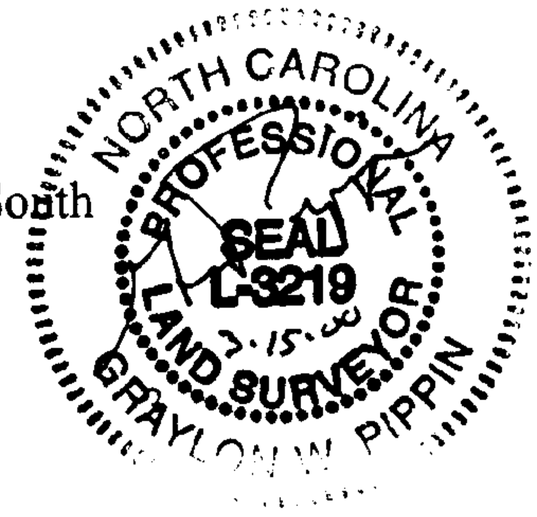
to a new iron pin; thence leaving said margin S 17 34 39.0 E, 156.07 feet to a point; thence S 34 11 47.8 E, 101.74 feet to a new iron pin being a corner with Lewis James, Jr. and Charlotte Farmer, Deed Book 830, Page 115; thence with said line N 79 36 22.1 W, 158.27 to an existing iron pin; thence S 03 18 38 W, 466.75 feet to an existing iron pin; thence S 85 01 49.1 E, 145.52 feet to an existing iron pin; thence S 03 40 03.0 W, 35.74 feet to an existing iron pin; thence S 60 15 55.5 E, 229.39 feet to an existing iron pin; thence N 00 21 34 W, 399.37 feet to a new iron pin; thence with a new line S 82 25 33 E, 1156.57 feet to a new iron pin set in the line with Johnathan L. Rhyne, Sr. and Marian Rhyne, Deed Book 595, Page 639; thence S 68 48 13.3 W, 269.38 feet to a new iron pin; thence S 19 57 38 W, 263.37 to an existing pipe; thence S 24 15 14.6 W, 58.54 feet to an existing iron pin being a corner with Johnathan L. Rhyne, Sr. and Marian Rhyne, Deed Book 671, Page 508; thence S 20 56 25.4 W, 231.03 feet to a new iron pin; thence with a new line N 82 25 33 W, 1866.58 feet to a new iron pin; thence S 11 46 39 W, 261.53 feet to a new iron pin; thence S 05 04 09 W, 1193.99 feet to the point and place of BEGINNING, containing 93.695 acres, more or less.



TRACT 2: BEGINNING at an existing iron pin in the north margin of South Fork Road (60 Foot right-of-way) and a corner with Rhyne Mills, Inc., Deed Book 854, Page 325, located N 69 49 01.2 E, 209.03 feet from the northwest corner of Tract 1 in the south margin of said road and Rhyne Mills, Inc., Deed Book 854, Page 325; thence from the point and place of beginning leaving said margin with and along the boundary line of the property of Rhyne Mills, Inc., Deed Book 854, Page 325, N 65 56 44 W, 663.93 feet to an existing iron pin and passing through said pin 23.35 feet to a point in the east margin of Laboratory Road (60 Foot Public right-of-way); thence with said east margin the following fourteen (14) courses and distances:

1) N 05 39 14.0 E, 28.77 feet
2) N 02 46 41.7 W, 82.28 feet
3) N 14 36 31.2 W, 78.13 feet
4) N 25 31 38.8 W, 80.22 feet
5) N 36 30 23.0 W, 72.78 feet
6) N 44 54 55.2 W, 69.00 feet
7) N 47 18 44.9 W, 97.03 feet
8) N 47 38 02.4 W, 98.08 feet
9) N 47 57 36.2 W, 75.27 feet
10) N 48 07 24.0 W, 106.25 feet
11) N 47 55 31.3 W, 116.51 feet
12) N 47 50 18.0 W, 117.59 feet
13) N 46 18 34.5 W, 94.55 feet
14) N 41 11 58.2 W, 68.89 feet

to an existing rebar being a corner with Louie Smith, Deed Book 1056, Page 787; thence with said line N 72 01 12.2 E, 111.76 feet to a new iron pin; thence N 04 20 07.8 E, 120.33 feet to a new iron pin being a corner with Mark S. Robinson, Deed Book 807, Page 440; thence with said line N 89 13 20.8 E, 350.00 feet to an existing thirty-six (36) inch oak corner tree; thence N 45 00 20.8 E, 109.65 feet to an existing stone; thence N 31 56 39.0 E, 201.08 feet to an existing rebar being a corner with David W. Beatenhead, Deed Book 773, Page 686; thence with said line N 28 50 08.5 E, 166.21 feet to an existing iron pin being a corner with James H. and Vivian Cook, Will Book 85E, Page 291; thence with said line N 28 48 51.7 E, 39.54 feet to an existing iron pin; thence S 78 45 53.7 E, 128.33 feet to a new iron pin being a corner with Kermit W. Poovey, Deed Book 853, Page 58; thence with said line N 28 06 27.4 E, 219.03 feet to a new iron pin; thence S 50 00 12.9 E, 179.92 feet to an existing stone witnessed by three (3) marked trees; thence S 52 10 22 E, 586.06 feet to an existing stone being a corner with Ricky and Gail Leonhardt, Deed Book 807, Page 384; thence with said line S 52 39 36 E, 242.40 feet to an existing axle being a corner with William H. Sherrill, Deed Book 593, Page 29; thence with said line S 53 49 05 E, 405.73 feet to an existing pin; thence S 51 10 13 E, 359.12 feet to an existing iron pin; thence S 41 28 38 E, 370.97 feet to an existing stone being a corner with Thomas H. and Leslie A. Chapman, Plat Book 9, Page 64; thence with said line S 84 50 39 E, 532.21 feet to a new iron pin, thence N 29 18 51 E, 238.65 feet to an existing stone being a corner with Robert G. Johnson, Deed Book 347, Page 525, Will Book 95E, Page 316; thence with said line N 21 55 38 E, 964.54 feet to an existing iron rod in the line with Alfred L. and Ruby L. Reinhardt, Deed Book 317, Page 421; thence with said line S 72 45 30.1 E, 181.72 feet to an existing iron rod; thence N 41 52 33 E, 562.56 feet to an existing iron rod being a corner with Robert S. Crowe, Deed Book 751, Page 252; thence with said line S 70 27 27 E, 340.73 feet to an existing concrete monument being a corner with South



Fork Holdings, Inc., Deed Book 854, Page 325; thence with a new line the following twelve (12) courses and distances at new iron pins set:

1) S 21 55 38 W, 1277.67 feet
2) S 88 27 16.8 W, 215.40 feet
3) S 84 50 53.6 W, 226.88 feet
4) S 56 28 08.0 W, 129.09 feet
5) S 05 29 07.2 E, 112.57 feet
6) S 20 04 02.4 E, 179.68 feet
7) S 51 49 36.9 E, 125.86 feet
8) S 37 02 08.0 E, 169.26 feet
9) S 22 54 20.8 E, 183.35 feet
10) S 05 44 41 E, 305.53 feet
11) S 25 24 35.4 W, 192.52 feet
12) S 12 34 58.4 W, 122.13 feet

to a new iron pin in the north margin of South Fork Road (60 Foot Public right-of-way); thence with said margin the following thirty (30) courses and distances:

1) N 55 49 26.7 W, 36.52 feet
2) N 50 50 50.0 W, 48.40 feet
3) N 48 39 01.1 W, 99.70 feet
4) N 48 36 06.2 W, 94.60 feet
5) N 48 35 08.6 W, 329.83 feet
6) N 48 42 20.4 W, 100.36 feet
7) N 49 34 54.7 W, 101.23 feet
8) N 53 34 52.8 W, 77.35 feet
9) N 59 48 42.5 W, 78.51 feet
10) N 66 58 25.1 W, 78.32 feet
11) N 72 52 22.2 W, 77.48 feet
12) N 76 37 47.0 W, 76.63 feet
13) N 79 49 09.9 W, 76.51 feet
14) N 82 53 03.0 W, 76.19 feet
15) N 84 22 00.6 W, 100.52 feet
16) N 84 53 26.8 W, 100.19 feet
17) N 85 17 41.4 W, 99.96 feet
18) N 84 54 34.2 W, 99.91 feet
19) N 84 49 24.9 W, 101.36 feet
20) N 84 48 45.6 W, 50.76 feet
21) N 87 52 41.7 W, 51.93 feet
22) S 87 51 32.7 W, 52.40 feet
23) S 82 50 57.0 W, 51.91 feet
24) S 80 25 31.7 W, 50.88 feet
25) S 79 26 35.1 W, 99.90 feet
26) S 80 44 52.0 W, 99.25 feet
27) S 82 04 10.8 W, 99.28 feet
28) S 83 11 37.2 W, 99.22 feet
29) S 84 55 04.4 W, 99.34 feet
30) S 84 18 20.2 W, 36.73 feet

to the point and place of BEGINNING, containing 104.634 acres, more or less.



TRACT 3: BEGINNING at an existing rebar near the west margin of Laboratory Road (60 Foot Public right-of-way) located S 72 01 12.2 W, 67.96 feet from an existing rebar on the westernmost corner on the east side of said margin of Tract 2; thence from the point and place of beginning with and along said west margin the following eight (8) courses and distances:

1) S 42 34 49.7 E, 97.04 feet
2) S 46 18 34.5 E, 99.38 feet
3) S 47 50 18.0 E, 118.43 feet
4) S 47 55 31.3 E, 116.66 feet
5) S 48 07 24.0 E, 106.27 feet
6) S 47 57 36.2 E, 75.01 feet
7) S 47 38 02.4 E, 97.74 feet
8) S 47 18 44.9 E, 32.58 feet

to a new iron pin on the south top of bank of South Fork River being a corner with Scott E. Carpenter, Deed Book 1078, Page 233; thence with said line following the south top of bank of said river the following three (3) courses and distances:

1) S 26 21 40.2 W, 346.68 feet
2) N 89 50 35.9 W, 162.87 feet
3) N 70 40 42.0 W, 201.80 feet

to an existing iron pin; thence leaving said river S 12 16 04.8 W, 346.77 feet to an existing iron pin; thence N 89 31 43.5 W, 242.27 feet to a point on the north margin of Confederate Road (60 Foot Public right-of-way); thence with said north margin the following nine (9) courses and distances:

1) N 38 08 16.5 W, 22.76 feet
2) N 40 21 19.6 W, 49.66 feet
3) N 43 11 01.9 W, 47.14 feet
4) N 47 20 48.6 W, 49.32 feet
5) N 51 08 40.5 W, 46.82 feet
6) N 55 05 29.0 W, 48.12 feet
7) N 59 09 31.5 W, 50.02 feet
8) N 63 04 22.9 W, 49.06 feet
9) N 67 19 40.7 W, 57.06 feet

to a point in the line with David Wayne Navey, Deed Book 819, Page 357; thence with said line leaving the said margin of said road N 25 03 00.8 E, 232.3 feet to an existing iron pin; thence N 54 05 42.0 W, 162.78 feet to a point in the line with David Wayne Navey, Deed Book 703, Page 297; thence with said line passing through a corner with South Fork Holdings, Inc., Deed Book 854, Page 325, N 25 03 00.8 E, 350.63 feet to a new iron pin on the west top of bank of South Fork River; thence crossing said river N 34 34 18.6 E, 90.38 feet to a new iron pin on the east top of bank of said river; thence with following the east top of bank of said river the following four (4) courses and distances:



1) N 19 13 16.0 W, 124.46 feet to a new iron pin
2) N 08 59 10.5 E, 124.82 feet to a point
3) N 06 46 57.7 E, 74.04 feet to a new iron pin
4) N 37 13 25.6 E, 116.18 feet to an existing iron pin

being a corner with Edna Smith Poovey, Will Book 81E, Page 128; thence with said line N 46 44 43.6 E, 184.80 feet to an existing iron pin being a corner with Anthony C. Milholland, Deed Book 1057, Page 242; thence with said line S 06 44 17.4 W, 68.96 feet to an existing bent rebar; thence S 38 33 07.1 E, 417.09 feet to the point and place of BEGINNING, containing 21.325 acres, more or less.



Tract 4 and Tract 5 are outparcels to be excluded from the above subject property shown on a survey prepared for Paul and Agnes Rhyne Conservation Preserve and Catawba Lands Conservancy, dated December 8, 1999, by Graylon W. Pippin, PLS, Pippin Land Surveying, Job Number 990411 and more particularly described as follows:

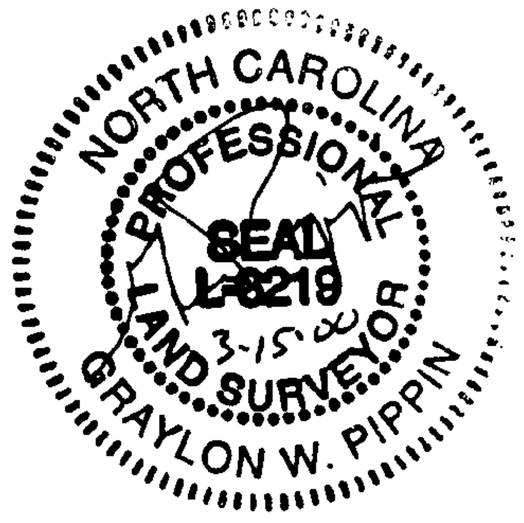
TRACT 4: BEGINNING at a new iron pin located in the boundary line of the property of Carolina Mills, Deed Book 854, Page 325, said new iron pin located N 07 12 39.6 W, 328.47 feet from a new iron pin being a new corner with South Fork Holdings, Inc., Deed Book 854, Page 325; thence from the point and place of beginning with and along said boundary line of the property of Carolina Mills, Deed Book 854, Page 325, N 44 42 44.0 W, 12.23 feet to an existing iron pin; thence with said line N 44 42 44.0 W, 193.34 feet to an existing iron pin and passing through said pin, 27.77 feet to a point on the east top of bank of South Fork River; thence with east top of bank of said river the following twelve (12) courses and distances:

1) N 05 31 31.0 W, 93.00 feet
2) N 01 47 50.4 E, 57.52 feet
3) N 14 01 03.2 E, 61.44 feet
4) N 26 29 42.4 E, 60.01 feet
5) N 39 09 43.8 E, 63.28 feet
6) N 51 16 38.2 E, 54.66 feet
7) N 64 53 34.6 E, 77.80 feet
8) N 82 10 06.4 E, 90.05 feet
9) N 84 45 58.1 E, 110.32 feet
10) N 75 08 45.2 E, 93.91 feet
11) N 68 16 06.4 E, 66.97 feet
12) N 61 13 33.0 E, 46.81 feet

to a point; thence leaving said river S 16 06 56.7 E, 27.23 feet to an existing iron pin and passing through said pin 31.50 feet to a point in the centerline of old railroad bed; thence with centerline of said railroad bed the following nine (9) courses and distances:

1) S 47 36 08.7 W, 107.29 feet
2) S 46 09 54.1 W, 102.07 feet
3) S 41 20 54.8 W, 88.76 feet
4) S 37 26 12.9 W, 59.26 feet
5) S 35 06 00.5 W, 60.05 feet
6) S 30 10 14.0 W, 72.76 feet
7) S 25 53 11.4 W, 92.87 feet
8) S 30 59 43.0 W, 74.91 feet
9) S 27 52 22.8 W, 74.94 feet

to the point and place of BEGINNING, containing 3.866 acres, more or less.



TRACT 5: BEGINNING at a new iron pin in the centerline of old railroad bed and being a new corner located S 78 16 35.4 W, 235.26 feet from a new iron pin being a new corner with South Fork Holdings, Inc., Deed Book 854, Page 325; thence from the point and place of beginning with and along said new boundary line and centerline of said old railroad bed the following two (2) courses and distances:

1) S 17 49 54.9 W, 258.10 feet
2) S 09 41 56.9 W, 167.11 feet

to a new iron pin; thence leaving said railroad bed N 80 18 03.1 W, 80.86 feet to a new iron pin set on the east top of bank of South Fork River; thence with said east top of bank the following eight (8) courses and distances:

1) N 00 07 55.7 W, 28.81 feet
2) N 00 07 55.7 W, 53.43 feet
3) N 17 25 49.8 E, 60.75 feet
4) N 17 59 28.7 E, 51.09 feet
5) N 33 06 39.4 E, 32.46 feet
6) N 28 33 23.0 E, 32.64 feet
7) N 10 43 06.1 E, 81.84 feet
8) N 10 43 06.1 E, 89.95 feet

to a new iron pin; thence leaving said east top of bank S 79 16 53.9 E, 89.39 feet to the point and place of BEGINNING, containing 0.800 acres, more or less.

NORTH CAROLINA PROFESSIONAL SEAL L-3219 LAND SURVEYOR GRAYLON W. PIPPIN 3-15-00

BK 2534 PG 110 - 126 (17)
This document presented and filed:
07/29/2015 01:08:53 PM
EASEMENT & PLAT
Fee $34.00 Transfer Tax: $0.00
536290
Lincoln County North Carolina
Danny R. Hester, Register of Deeds

34.00 (17)

STATE OF NORTH CAROLINA
LINCOLN COUNTY
Tax Parcel(s):
Drawn by and mail to: Catawba Lands Conservancy, 4530 Park Road,
Suite 420, Charlotte, NC 28209
✓ Picked Up - Tammy

TRAIL AND PARKING EASEMENT AGREEMENT

THIS TRAIL AND PARKING EASEMENT AGREEMENT ("**Agreement**") dated as of 7/29/15 (the "**Agreement Date**") is by and between **LEGACY SHARLES, LLC** (the "**Grantor**") and **CATAWBA LANDS CONSERVANCY**, a North Carolina nonprofit corporation (**"CLC"**).

ARTICLE I Background

1.01 Property.

(a) Grantor is the sole owner in fee simple of that certain parcel of land containing approximately 219.7 acres located Lincoln County, North Carolina as described in Deed Book 1115 at Page 806 in the Lincoln County Public Registry (the **"Grantor Property"**).

(b) Grantor desires to allow a trail pursuant to the provisions of this Agreement on a portion of the Grantor Property, said location being more particularly described in **Exhibit A** attached hereto and by reference incorporated herein (the "**Trail Property"**) and depicted on the survey or plat dated March 9, 2015 prepared by Freeman Surveying a copy of which is attached as **Exhibit B** hereto and by reference incorporated herein (the "Survey").

(c) Grantor desires to allow a parking lot for trail users on the portion of Grantor Property described in **Exhibit A** attached hereto and by reference incorporated herein (the "**Parking Property**") and also depicted on the Survey.

(d) The Trail Property and the Parking Property are collectively referred to as the "**Property**."

1.02 Purposes. The purposes of this Agreement are to set forth the terms under which the Trail Facilities and Parking Facilities described in Article II can be established and maintained for activities and uses by the general public described in Article III.

1.03 Consideration. The Grantor acknowledges receipt of the sum of $1.00 in consideration of the grant of easements to CLC under this Agreement and other good and valuable consideration, including the promises of CLC set forth herein.

ARTICLE II Grant of Easement for Trail Facilities and Parking Facilities

2.01 Grant of Trail Facilities Easement. The Grantor, intending to be legally bound, grants, bargains, sells and conveys to CLC a perpetual non-exclusive easement ("**Trail Facilities Easement**") to (i) create the Trail (hereinafter defined) on the Trail Property, and (ii) enter the Trail Property at any time to construct, install, maintain and repair any one or more of the items (collectively, with the Trail, the "**Trail Facilities**") described in paragraph (a) of this Section 2.01. The Trail Facilities Easement is granted subject to conditions, covenants, restrictions, easements and other matters of record, other than (i) mortgage liens, which Grantor agrees to cause to be subordinated to this Agreement, and (ii) the lien of Ad Valorem taxes which Grantor agrees to pay prior to delinquency, and subject to any matters that would appear on a current and accurate survey of the Trail Property and to all subdivision ordinances, zoning ordinances, land use regulations and other laws, regulations or ordinances applicable to the Trail Property. Grantor and CLC shall work together in good faith to develop mutually acceptable rules and regulations for the Trail Property and Parking Property.

(a) **Trail Facilities**

(1) A paved or unpaved trail of varying width not to exceed 25 feet in width, together with steps, railings, and other surface structures which, as to wet areas, may include bridges, boardwalks and culverts (collectively, the "**Trail**").

(2) Signs to mark the Trail, to provide information related to the Trail and for interpretive purposes.

(3) Fencing, gates, and barriers to control access to the Trail Facilities, provided that (i) Grantor shall be given a mechanism for unlocking any fencing, gates or barriers, (ii) Grantee shall submit the location of the same to Grantor for Grantor's prior written consent, not to be unreasonably withheld, conditioned or delayed, and (iii) Grantor shall have the right to require the relocation of the same, at Grantor's cost and expense (if approved by Grantor) or at CLC's costs and expense (if not approved by Grantor), if any such fencing, gates or barriers impairs Grantor's use of the Trail Property or Grantor's adjacent property.

(4) Facilities incidental to and for the convenience of users of the Trail, such as observation platforms, benches, picnic tables, wastebaskets, kiosks and bicycle racks.

(b) **No Obligation to Construct or Connect**

CLC shall have no obligation to construct the Trail or any particular Trail Facilities within any particular time, if ever, or to connect the Trail with other trails.

2.02 Grant of Parking Facilities Easement. The Grantor, intending to be legally bound, grants and conveys to CLC a perpetual non-exclusive easement ("**Parking Facilities Easement**") to (i) create the Parking Lot (defined below) on the Parking Property, and (ii) enter the Parking Property at any time to construct, install, maintain and repair any one or more of the items described in paragraph (a) of this **Section 2.02** (collectively, "**Parking Facilities**"). The Parking Facilities Easement is granted subject to all conditions, covenants, restrictions, easements and other matters of record, to any matters that would appear on a current and accurate survey of the Parking Property and to all subdivision ordinances, zoning ordinances, land use regulations and other laws, regulations or ordinances applicable to the Parking Property.

(a) **Parking Facilities**

(1) A paved or unpaved parking lot (the "**Parking Lot**").

(2) Signs to mark the Parking Lot and to provide information related to the Parking Lot.

(3) Fencing, gates, and barriers to control access to the Parking Lot, provided that (i) Grantor shall be given a mechanism for unlocking any fencing, gates or barriers, (ii) CLC shall submit the location of the same to Grantor for Grantor's prior written consent, not to be unreasonably withheld, conditioned or delayed, and (iii) Grantor shall have the right to require the relocation of the same, at Grantor's cost and expense (if approved by Grantor) or at CLC's cost and expense (if the original location was not approved by Grantor), if any such fencing, gates or barriers materially impairs Grantor's use of the Parking Property or Grantor's adjacent property.

(4) Facilities incidental to and for the convenience of users of the Parking Lot, such as benches, picnic tables, wastebaskets, kiosks and bicycle racks.

(b) **No Obligation to Construct**

(1) CLC shall have no obligation to construct the Parking Facilities or any particular component of the Parking Facilities within a particular time, if ever.

2.03 Exercise of Rights.

(a) Creation of the Trail and Parking Lot and other construction, installation, maintenance and repair of the Trail Facilities and Parking Facilities includes all activities necessary for the proper construction, installation, maintenance and repair of the Trail Facilities and Parking Facilities, and may include, without limitation, installation of signage; mowing, cutting or removal of soil, rock, trees

or vegetation; application of gravel, crushed stone, wood chips or paving; or other means of creating the Trail and Parking Lot surface (if any) and/or identifying the Trail's path. These activities may include vehicular use.

(b) CLC, its employees, contractors or agents shall (i) perform all construction, maintenance, repair and replacement of the Trail Facilities and Parking Facilities in a good and workmanlike manner, in accordance with all applicable federal, state and local laws and regulations and in accordance with any standards which may apply to the performance thereof, including any professional engineering standards; (ii) obtain all necessary governmental permits and approvals for the performance of all construction, maintenance, repair and replacement of the Trail Facilities and Parking Facilities; and (iii) be responsible for all costs of performing all construction, maintenance, repair and replacement of the Trail Facilities and Parking Facilities, including permitting costs. Grantor shall cooperate with CLC to obtain any such permits if reasonably requested at no cost to Grantor.

ARTICLE III Grant of Easement for Public Access

3.01 Grant of Public Access Trail Easement. The Grantor, intending to be legally bound, grants to CLC the right to make available to the public a perpetual non-exclusive easement and right-of-way over the Trail and the right to use Trail Facilities for the purposes ("**Permitted Trail Uses**") described in paragraph (a) of this **Section 3.01** ("**Public Access Trail Easement**"). The Public Access Trail Easement is granted subject to conditions, covenants, restrictions, easements and other matters of record other than (i) mortgage liens, which Grantor agrees to cause to be subordinated to this Agreement, (ii) the lien of Ad Valorem taxes, which Grantor agrees to pay prior to delinquency, and to any matters that would appear on a current and accurate survey of the Trail Property and to all subdivision ordinances, zoning ordinances, land use regulations and other laws, regulations or ordinances applicable to the Trail Property.

(a) **Permitted Trail Uses.** The Trail Facilities shall be used solely:

(1) As a right-of-way for (i) walking, hiking, jogging, bicycling, bird watching, or nature study; (ii) events such as "runs" or competitive races; (iii) programmatic use by schools, clubs or other groups; (iv) picnicking or other similar stationary activities reasonably related to the activities permitted under items (i), (ii) and (iii) above, (v) wheelchair use by persons who need to use wheelchairs; (vi) maintenance vehicles used in the construction, management, maintenance or stewardship purposes of the Trail Facilities; (vii) by CLC and CLC's contractors for events; and (viii) emergency vehicles in the case of emergency within the Trail Property.

(2) For resource management, including the right (but not obligation) to mow, cut or remove trees, vegetation, or plant vegetation, within the Trail Property.

3.02 Grant of Public Access Parking Easement. The Grantor, intending to be legally bound, grants to CLC the right to make available to the public a perpetual non-exclusive easement and right-of-way over the Parking Lot and the right to use Parking Facilities for the purposes ("**Permitted Parking Uses**") described in this **Section 3.02** ("**Public Access Parking Easement**"). The Public Access Parking Easement is granted subject to all conditions, covenants, restrictions, easements and other matters of record, to any matters that would appear on a current and accurate survey of the Parking Property and to all subdivision ordinances, zoning ordinances, land use regulations and other laws, regulations or ordinances applicable to the Parking Property. The Parking Facilities shall be used solely for the purposes of parking vehicles and bicycles in connection with the use of Trail Facilities.

ARTICLE IV Rights of Grantor

4.01 Grantor Improvements, Uses and Activities. Grantor has the rights accorded to the general public to use the Trail Facilities located on the Trail Property and the Parking Facilities located on the Parking Property, as well as exercise any one or more of the following rights:

(a) Other Rights. Grantor may exercise all rights accruing from ownership of the Property, including, the right to engage in, or permit or invite others to engage in, all uses of the Property, that are not expressly prohibited by this Agreement or inconsistent with the easement rights granted hereby and do not interfere with same.

(b) Enforcement Rights. Grantor may remove or exclude from the Property any Persons (as defined in **Section 6.04**) other than CLC, CLC's contractors or agents, who are (i) in locations other than the Trail or other Trail Facilities located on the Trail Property or the Parking Facilities, or (ii) not engaged in Permitted Trail Uses.

ARTICLE V Enforcement; Liability Issues

5.01 Enforcement. Each party may, in addition to other remedies available at law or in equity, compel the other party to make the Property available for the purposes set forth in this Agreement by exercising any one or more of the following remedies:

(a) **Injunctive Relief**. Seek injunctive relief to specifically enforce the terms of this Agreement; to restrain present or future violations of this Agreement; and/or to compel restoration of Trail Facilities or Parking Facilities or other resources destroyed or altered as a result of the violation of this Agreement.

(b) **Self Help**. Enter the Property to remove any barrier to the access provided under this Agreement and do such other things as are reasonably necessary to protect and preserve the party's rights under this Agreement.

5.02 Representations and Warranties. The Grantor warrants to CLC that to the best knowledge of Grantor, without investigation:

(a) There are no unrecorded agreements, or unrecorded encumbrances, to which Grantor is a party that would nullify or materially impair the rights or obligations of the parties under this Agreement.

(b) The Property is not encumbered by (i) lien of any mortgage or deed of trust (a "Mortgage Lien"), (ii) or any mechanics or materialman's liens (a "Mechanics & Materialman's Lien"), or if there is either a Mortgage Lien or Mechanics & Materialman's Lien on the Property, Grantor will cause it to be removed or subordinated to this Agreement on the same date that this Agreement is recorded in the public registry for Lincoln County.

(c) Except as previously disclosed to CLC, (i) no substance defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic, or as a pollutant or contaminant (collectively, "**Hazardous Materials**") exists or has been released, generated, treated, stored, used, disposed of, deposited, abandoned, or transported to or from the Grantor Property in violation of applicable federal, state, and local laws, regulation and requirements (collectively, "**Applicable Law**"), (ii) there are no underground storage tanks located on the Grantor Property, (ii) no Hazardous Materials or underground storage tanks have been removed from the Grantor Property in a manner not in compliance with Applicable Law

(d) Except as previously disclosed to CLC, Grantor has received no written notice that the Grantor Property is in violation of any Applicable Law;

(e) There is no pending or threatened litigation against or by Grantor in any way affecting, involving or relating to the Property;

(f) No civil or criminal proceedings or investigations have been instigated against or by Grantor which are now pending against or by Grantor, and no written notices of claims, demands, or orders have been received by Grantor, arising out of any violation or alleged violations of, or failure to comply with, any federal, state, or local law, regulation, or requirement applicable to the Property or its uses.

(g) Neither the Property, nor any portion thereof, is or shall be used to satisfy mitigation requirements under 33 U.SC. §1344 or N.C. Gen. Stat. §143-214.11.

5.03 Immunity under Applicable Law. Nothing in this Agreement limits the ability of Grantor and CLC to avail themselves of the protections offered by any applicable law affording immunity to Grantor and CLC including, to the extent applicable, the recreational use statute, N.C. Gen. Stat. § 38A-1 et seq. ("**Recreational Use Statute**") (as may be amended from time to time).

5.04 Public Enters at Own Risk. Use of any portion of the Property by members of the general public is at their own risk. Notwithstanding any provision herein to the contrary, neither CLC nor Grantor by entering into this Agreement assume any duty to or for the benefit of the

general public for defects in the location, design, installation, maintenance or repair of the Trail Facilities or Parking Facilities; for any unsafe conditions within the Property; or for the failure to inspect for or warn against possibly unsafe conditions; or to close the Trail Facilities or Parking Facilities to public access when unsafe conditions may be present. CLC will endeavor to repair damaged Trail Facilities and Parking Facilities but has no duty to do so unless and until CLC receives actual notice given in accordance with Article VI of this Agreement of the need to repair an unreasonably dangerous condition.

5.05 Costs and Expenses. CLC will maintain the Trail Facilities and Parking Facilities at its expense except to the extent such repair or maintenance results from the negligence or intentional misconduct of Grantor or Grantor's agents, employees, contractors, representatives or invitees. In such event, Grantor will promptly reimburse CLC for such expenses or costs within ten (10) business days after CLC shall submit an invoice for such work expense.

5.06 Covenant Against Liens. CLC shall promptly pay and discharge on or before the due date any claim or obligation for labor or materials furnished at the direction of CLC which, if not paid or discharged, would result in a lien on the Property. This **Section 5.06** shall survive the termination of this Agreement.

5.07 Insurance. CLC shall maintain Commercial General Liability Insurance against claims for personal injury or death and property damage occasioned by any occurrence on the Property or arising out of the exercise of CLC's rights under this Agreement in an amount of not less than $1,000,000 per occurrence and aggregate limits of not less than $3,000,000, commercial auto liability insurance and such workers' compensation/employer's liability insurance as required by law. All liability policies required by this **Section 5.07** shall: (a) be issued by insurers that are authorized to issue the applicable insurance in the state where the Property is located and are reasonably acceptable to Grantor; (b) name Grantor as an additional insured; (c) contain a provision by which the insurer will give Grantor at least 30 days prior written notice before making any material change in the nature or extent of the coverage provided under such policies and/or canceling or terminating such policies; and (d) contain a provision by which CLC's policies are primary to and non-contributory with any coverage that Grantor may have in effect. Prior to exercising any rights under this Agreement, CLC shall provide Grantor with evidence satisfactory to Grantor of the policies required by this **Section 5.07**. Grantor may review such insurance limits every three years and increase as reasonably necessary the minimum limits of the coverages required under this **Section 5.07** so as to provide, at all times, coverage comparable to that for similar facilities located in Lincoln County, North Carolina. The aforesaid insurance obligations shall not apply to an assignee of CLC in the event CLC assigns its interest hereunder to a governmental entity that elects to self-insure in lieu of carrying liability insurance. In the event CLC assigns its interest hereunder to a governmental entity that does not self-insure, the aforesaid insurance obligations shall apply to such assignee but only to the extent they are not in conflict with the terms and provisions of the assignee's blanket liability policy or if they are not, only to the extent that such terms and provisions can be readily amended at no additional expense to the assignee.

ARTICLE VI Miscellaneous

6.01 Beneficiaries and Agents. The rights of CLC under this Agreement may be exercised by CLC and any of the contractors, agents and employees acting at the direction of CLC. This

Agreement may be assigned by CLC to a governmental entity or agency or another non-profit corporation whose mission includes creation and/or operation of trails or greenways without the prior consent of Grantor. If CLC assigns this Agreement to a governmental entity or agency, Grantor will cooperate to make any changes hereto reasonably required by the assignee. Upon any assignment hereto by CLC, all references herein to CLC shall thereafter mean the assignee.

6.02 Binding Agreement. This Agreement is a servitude running with the land binding upon the Grantor and, upon recordation in the Public Records, any subsequent owner of the Property or any portion of the Property is bound by its terms whether or not the owner had actual notice of this Agreement and whether or not the deed of transfer specifically referred to the transfer being under and subject to this Agreement. Subject to such limitations (if any) on CLC's right to assign as may be set forth in this Agreement, this Agreement binds and benefits Grantor and CLC and their respective personal representatives, successors and assigns.

6.03 Governing Law. The interpretation and performance of this Agreement shall be governed by the laws of the State of North Carolina.

6.04 Definition and Interpretation of Capitalized and Other Terms. The following terms, whenever used in this Agreement, are to be interpreted as follows:

(a) "**Grantor**" means each owner of all or any portion of the Property for so long as that owner owns all or any portion of the Property.

(b) "**Person**" means an individual, organization, trust, or other entity.

(c) "**Public Records**" means the public records of the Office of The Register of Deeds of Lincoln County, North Carolina.

(d) "**Including**" means "including, without limitation".

(e) "**May**" is permissive and implies no obligation; "must" or "shall" are obligatory.

6.05 Incorporation by Reference. Each exhibit or schedule referred to in this Agreement is incorporated into this Agreement by this reference.

6.06 Amendments; Waivers. No amendment or waiver of any provision of this Agreement or consent to any departure by a party from the terms of this Agreement is effective unless the amendment, waiver or consent is in writing and signed by an authorized signatory for the other party. A waiver or consent is effective only in the specific instance and for the specific purpose given. An amendment must be recorded in the Public Records.

6.07 Severability. If any provision of this Agreement is determined to be invalid, illegal or unenforceable, the remaining provisions of this Agreement remain valid, binding, and enforceable. To the extent permitted by applicable law, the parties waive any provision of applicable law that renders any provision of this Agreement invalid, illegal, or unenforceable in any respect.

6.08 Recordation. CLC shall record this instrument in the Public Records, and may re-record it at any time as may be required to preserve its rights in this Agreement.

6.09 Successors. Subject to the terms of **Section 6.01**, the covenants, terms, conditions and restrictions of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors and assigns and shall continue as a servitude running in perpetuity with the Property.

6.10 Counterparts. This Agreement may be signed in multiple counterparts, each of which constitutes an original, and all of which, collectively, constitute only one agreement.

6.11 Entire Agreement. This is the entire agreement of Grantor and CLC pertaining to the subject matter of this Agreement. The terms of this Agreement supersede in full all statements and writings between Grantor, CLC, and others pertaining to the transaction set forth in this Agreement.

6.12 Notices. Any notice contemplated by this Agreement must be in writing, addressed as set forth below and shall be either (a) sent by United States Mail, postage prepaid, registered or certified mail, return receipt requested, in which case the notice will be deemed delivered two (2) business days after being deposited in the United States mail; (b) sent by overnight delivery using a nationally recognized overnight courier, in which case the notice shall be deemed delivered one (1) business day after deposit with such courier; (c) sent by facsimile or e-mail in which case the notice shall be deemed delivered upon confirmed transmission of such notice; provided that no later than the next business day after the facsimile or e-mail is sent, a hard copy of the facsimile or e-mail transmission is also sent in the manner set forth in (a), (b) or (d) of this Section; or (d) sent by personal delivery, in which case the notice will be deemed delivered on the date of delivery. Either party may change its address by giving the other party five (5) days advance written notice of such change.

If to Grantor, to: Johnathan L. Rhyne, Jr.
The Jonas Law Firm
210 East Main Street
PO Box 38
Lincolnton, NC 28093-0038

With a copy to:

If to CLC, to: Catawba Lands Conservancy
4530 Park Road, Suite 420
Charlotte, NC 28209
Attn: Executive Director

TO HAVE AND TO HOLD the aforesaid easements, with all the rights, privileges and appurtenances thereunto appertaining unto CLC, its successors and assigns forever, subject to the terms of this Agreement, and the said Grantor for itself and its successors and assigns, does covenant with CLC, its successors and assigns that it is the sole owner of the Property and has good right and title to convey the easements in the manner aforesaid, that the Property is free from encumbrances except easements, conditions and restrictions of record and the lien of

Lincoln County Ad Valorem taxes for 2015 and subsequent years not yet due and payable and that Grantor will warrant and defend the title against the lawful claims of all persons.

IN WITNESS WHEREOF, Grantor and CLC by their respective duly authorized representatives, have caused this Agreement to be executed as of the day and year first above written.

GRANTOR:

LEGACY SHARES, LLC, a North Carolina limited liability company

By: _____
Manager

STATE OF NORTH CAROLINA

COUNTY OF LINCOLN

I, Bobbie H. Little, a Notary Public for the County and State aforesaid, certify that Johnathan L. Rhyne, Jr. personally came before me this day and acknowledged that he/~~she~~ is Manager of LEGACY SHARES, LLC and that he/~~she~~ as Manager, being authorized to do so, executed the foregoing on behalf of the company and the said Johnathan L. Rhyne, Jr. acknowledged the said writing to be the act and deed of said company.

WITNESS my hand and notarial seal this 23rd day of July, 2015.

_____
Notary Public

My commission expires:

7/22/2017

[NOTARY SEAL]

BOBBIE H. LITTLE
NOTARY
PUBLIC
ALEXANDER COUNTY, NC

CLC:

CATAWBA LANDS CONSERVANCY, a North Carolina nonprofit corporation

By: _____
Thomas W. Okel, Executive Director

STATE OF NORTH CAROLINA

COUNTY OF Mecklenburg

I, Tammy Pfaff, a Notary Public of the County and State aforesaid, certify that Thomas W. Okel personally came before me this day and acknowledged that he is Executive Director of **CATAWBA LANDS CONSERVANCY**, a North Carolina nonprofit corporation, and that he, as Executive Director, being authorized to do so, executed the foregoing on behalf of the corporation. And the said Thomas W. Okel acknowledged the said writing to be the act and deed of said corporation.

Witness my hand and official stamp or seal, this the 29th day of July, 2015.

_____
Notary Public

My Commission Expires:

Jan. 12, 2017

[NOTARY SEAL]

TAMMY PFAFF
Notary Public
Mecklenburg County
North Carolina
My Commission Expires Jan 12, 2017

Exhibit "A"

25' Trail Easement North of South Fork Road :

Lying in Lincolnton Township, Lincoln County, NC, and being a 25' Trail Easement following the existing abandoned railroad bed and being shown on a survey entitled : Rhyne Conservation Preserve South Fork Rail Trail, by W. Bradley Freeman, P.L.S., dated March 9, 2015 and being more particularly described as follows :
Beginning at a rebar set in the eastern line of the parking lot easement running thence with a curve to the right having a chord bearing of S 77-02-52 E, a chord of 670.28', an arc length of 678.41', a radius of 1,262.5 to a rebar set; thence S 61-39-14 E 606.77' to a rebar set; thence with a curve to the left having a chord bearing of S 72-06-57 E, a chord of 411.21', an arc length of 413.50', a radius of 1,132.28' to a spot of yellow paint on a rock outcrop; thence S 82-34-40 E 1,077.87' to a rebar set; thence with a curve to the right having a chord bearing of S 76-56-09 E, a chord of 277.74', an arc length of 278.19', a radius of 1,412.50' to a rebar set; thence with a curve to the right having a chord bearing of S 61-17-37 E, a chord of 125.89', an arc length of 126.54', a radius of 362.5' to a rebar set; thence S 51-17-37 E 124.00' to a rebar set; thence with a curve to the right having a chord bearing of S 36-43-38 E, a chord of 182.34', an arc length of 184.32', a radius of 362.5' to a rebar set; thence with a curve to the right having a chord bearing of S 14-59-20 E, a chord of 252.80', an arc length of 253.46', a radius of 1,012.50' to a rebar set; thence with a curve to the right having a chord bearing of S 06-10-47 W, a chord of 139.08', an arc length of 140.47', a radius of 287.50' to a rebar set; thence S 20-10-37 W 82.25' to a rebar set on the northeast right-of-way of South Fork Road (S.R. 1248); thence with said right-of-way N 50-00-34 W 26.57' to a rebar set on the right-of-way; thence leaving the right-of-way N 20-10-37 E 73.24' to a rebar set; thence with a curve to the left having a chord bearing of N 06-10-47 E, a chord of 126.98', an arc length of 128.26', a radius of 262.50' to a rebar set; thence with a curve to the left having a chord bearing of N 14-59-20 W, a chord of 246.56', an arc length of 247.21', a radius of 987.5' to a rebar set; thence with a curve to the left having a chord bearing of N 36-43-38 W, a chord of 169.77', an arc length of 171.61', a radius of 337.50' to a rebar set; thence N 51-17-37 W 124.00' to a rebar set; thence with a curve to the left having a chord bearing of N 61-17-37 W, a chord of 117.21', an arc length of 117.81', a radius of 337.50' to a rebar set; thence with a curve to the left having a chord bearing of N 76-56-09 W, a chord of 272.82', an arc length of 273.26', a radius of 1,387.50' to a spot of yellow paint on a rock outcrop; thence N 82-34-40 W 1,077.87' to a rebar set; thence with a curve to the right having a chord bearing of N 72-06-57 W, a chord of 420.29', an arc length of 422.63', a radius of 1,157.28' to a rebar set; thence N 61-39-14 W 606.77' to a rebar set; thence with a curve to the left having a chord bearing of N 77-02-52 W, a chord of 657.00', an arc length of 664.97', a radius of 1,237.50' to a rebar set in the eastern line of the parking lot easement; thence with the parking lot easement N 02-26-31 W 25.00' to the point of beginning.

W. Bradley Freeman

NORTH CAROLINA PROFESSIONAL SEAL L-3119 LAND SURVEYOR W. BRADLEY FREEMAN

Exhibit "A"

25' Trail Easement South of South Fork Road :

Lying in Lincolnton Township, Lincoln County, NC, and being a 25' Trail Easement through Legacy Shares, LLC property recorded in Deed Book 1115 page 806, and following the existing abandoned railroad bed and being shown on a survey entitled : Rhyne Conservation Preserve South Fork Rail Trail, Map 2 by W. Bradley Freeman, P.L.S., dated March 9, 2015 and being more particularly described as follows :
Beginning at a rebar set on the southwest right-of-way of South Fork Road (S.R. 1248) and being located S 50-00-34 E 57.01' from a rebar on the top southeast bank of the South Fork Catawba River; thence from said beginning with the southwest right-of-way of South Fork Road S 50-00-34 E 26.57' to a rebar set; thence leaving the right-of-way S 20-10-37 W 1.69' to a rebar set; thence with a curve to the right having a chord bearing of S 37-14-19 W, a chord of 132.07', an arc length of 134.04', a radius of 225.07' to a mag nail set in an asphalt drive; thence S 54-18-02 W 336.40' to a square top bolt set; thence with a curve to the left having a chord bearing of S 47-49-44 W, a chord of 76.08', an arc length of 76.24', a radius of 337.50' to a rebar set; thence S 40-08-35 W 107.37' to a rebar set; thence with a curve to the left having a chord bearing of S 34-33-30 W, a chord of 155.70', an arc length of 155.95', a radius of 800.00' to a rebar set; thence with a curve to the left having a chord bearing of S 27-26-04 W, a chord of 534.84', an arc length of 534.91', a radius of 9955.08' to a rebar set; thence S 25-53-43 W 158.50' to a rebar set; thence with a curve to the left having a chord bearing of S 17-51-52 W, a chord of 255.29', an arc length of 256.12', a radius of 913.66' to a spot of yellow paint on a rock outcrop; thence S 09-50-00 W 472.25' to a rebar set; thence with a curve to the left having a chord bearing of S 04-51-32 W, a chord of 249.34', an arc length of 249.65', a radius of 1,437.69' to a rebar set; thence S 00-06-56 E 434.03' to a rebar set at a white oak tree in the line of Catawba Lands Conservancy recorded in Deed Book 1151 page 18 and being located S 89-58-44 W 237.54' from a rebar found; thence with Catawba Lands Conservancy line S 89-58-44 W 25.00' to a rebar set being located N 89-58-44 E 62.39' from a rebar found with a cap at a T-post on the eastern side of South Fork Catawba River; thence N 00-06-56 W 433.99' to a rebar set; thence with a curve to the right having a chord bearing of N 04-51-32 E, a chord of 253.67', an arc length of 253.99', a radius of 1,462.69' to a rebar set; thence N 09-50-00 E 472.25' to a rebar set; thence with a curve to the right having a chord bearing of N 17-51-52 E, a chord of 262.27', an arc length of 263.13', a radius of 938.66' to a rebar set; thence N 25-53-43 E 158.50' to a rebar set; thence with a curve to the right having a chord bearing of N 26-39-14 E, a chord of 264.24', an arc length of 264.25', a radius of 9,980.08' to a rebar set in the line of South Fork River Restoration, Inc.; thence 3 lines with the boundary of South Fork River Restoration, Inc. : S 44-48-04 E 0.32' to a rebar found, N 29-57-54 E 338.17' to a rebar found, N 40-08-35 E 288.17' to a rebar set being located S 40-08-35 W 119.80' from a rebar found; thence N 54-18-02 E 330.00' to a rebar set; thence with a curve to the left having a chord bearing of N 37-14-19 E, a chord of 117.40', an arc length of 119.16', a radius of 200.07' to a rebar set; thence N 20-10-37 E 10.70' to the point of beginning.

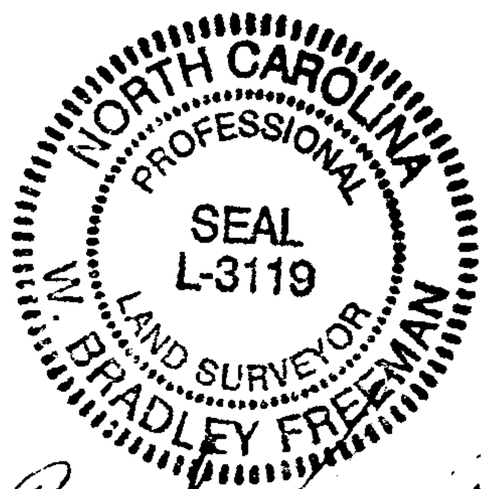


Exhibit "A"

Parking Lot Easement :

Lying in Lincolnton Township, Lincoln County, NC, and being an easement for a parking lot on Legacy Shares, LLC property recorded in Deed Book 1115 page 806, and being shown on a survey entitled : Rhyne Conservation Preserve South Fork Rail Trail, by W. Bradley Freeman, P.L.S., dated March 9, 2015 and being more particularly described as follows :
Beginning on a rebar set on the northeast right-of-way of Laboratory Road (S.R. 1252), running thence with the northeastern right-of-way N 48-07-32 W 164.63' to a rebar set on the road right-of-way and being located S 44-33-28 E 187.00' from a rebar found on the road right-of-way in the line of Louie Smith; thence 7 easement lines through Legacy Shares, LLC property : S 82-06-53 E 41.12' to a rebar set, S 88-11-22 E 72.98' to a rebar set, S 70-38-51 E 44.43' to a rebar set, S 24-38-35 E 16.03' to a rebar set, S 02-26-31 E 25.00' to a rebar set, S 28-25-35 W 36.24' to a rebar set, S 56-06-13 W 28.33' to a rebar set, the point of beginning.

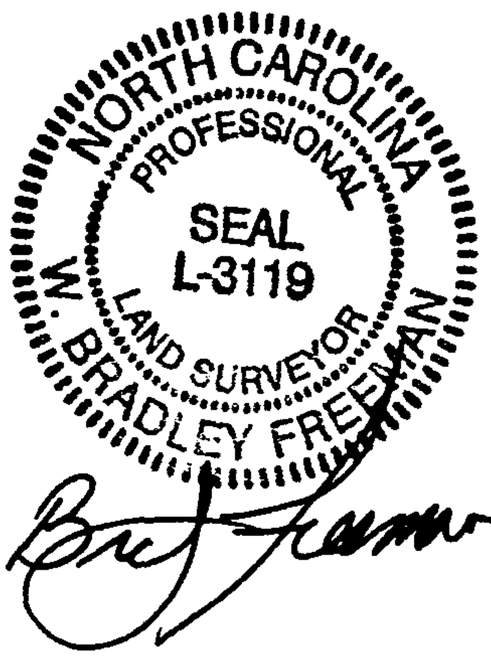
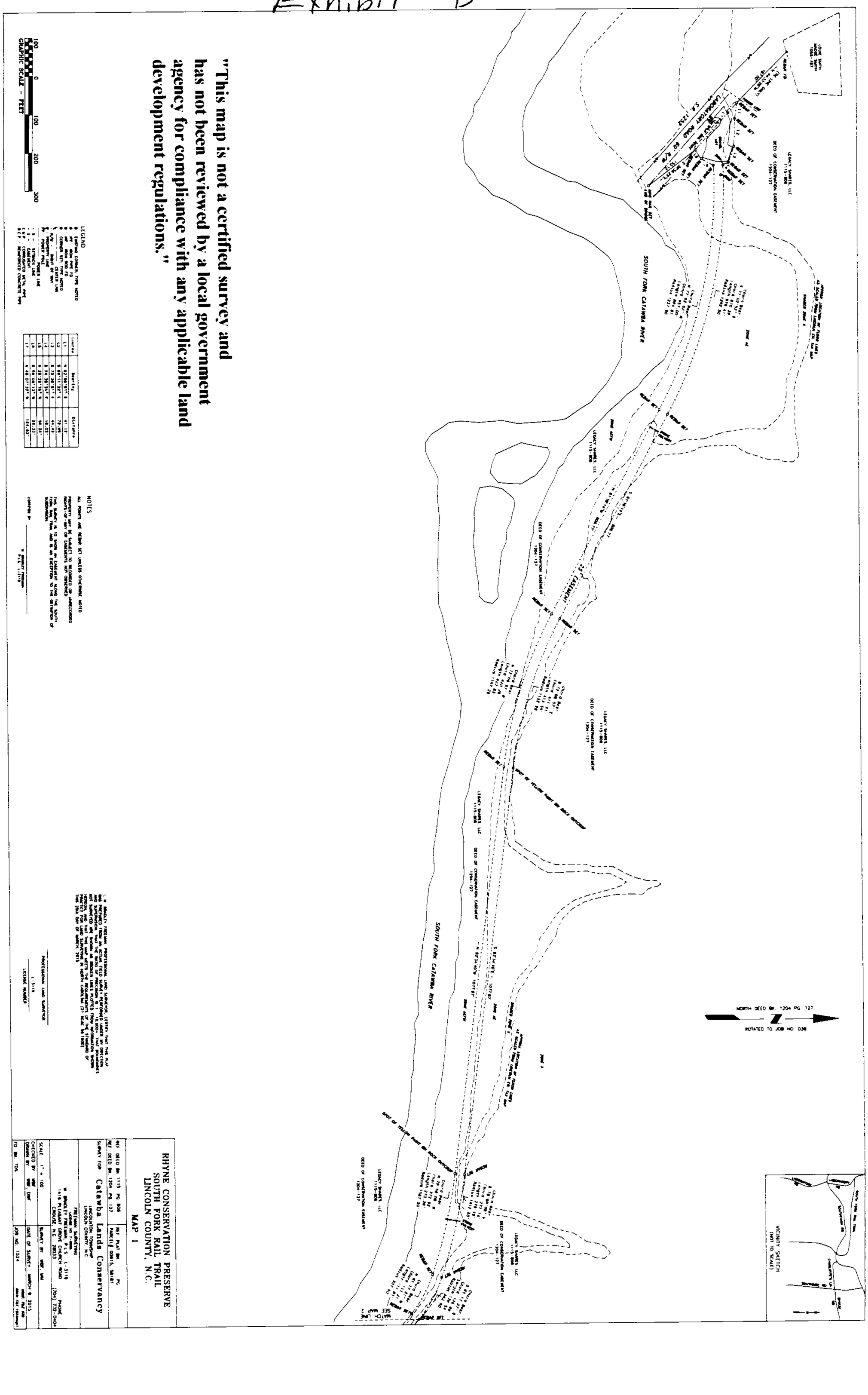


Exhibit "B"



"This map is not a certified survey and has not been reviewed by a local government agency for compliance with any applicable land development regulations."

GRAPHIC SCALE – FEET
100 0 100 200 300

LEGEND
- EXISTING CORNER, TYPE NOTED
- IPF IRON PIPE FD
- IRF IRON ROD FD
- CORNER SET: TYPE NOTED
- P/L PROPERTY LINE
- R/W RIGHT OF WAY
- POWER POLE
- POWER LINE
- SETBACK LINE
- EASEMENT
- CMP CORRUGATED METAL PIPE
- RCP REINFORCED CONCRETE PIPE

Line no	Bearing	Distance
L1	N 82°06'05" E	41.12'
L2	S 88°11'32" E	72.95'
L3	S 70°38'51" E	44.49'
L4	S 74°38'36" E	16.03'
L5	N 28°28'05" W	98.24'
L6	S 56°08'13" W	31.32'
L7	N 48°07'05" W	184.83'

NOTES

ALL POINTS ARE REBAR SET UNLESS OTHERWISE NOTED

PROPERTY MAY BE SUBJECT TO RECORDED OR UNRECORDED RIGHTS-OF-WAY OR EASEMENTS NOT OBSERVED.

THIS SURVEY IS TO SHOW AN EASEMENT ALONG THE SOUTH FORK RAIL TRAIL AND IS AN EXCEPTION TO THE DEFINITION OF SUBDIVISION.

COMPARED BY _____

W. BRADLEY FREEMAN
P.L.S. L-3119

I, W. BRADLEY FREEMAN, PROFESSIONAL LAND SURVEYOR, CERTIFY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL FIELD SURVEY PERFORMED UNDER MY DIRECTION AND SUPERVISION, THAT THE RATIO OF PRECISION IS 1 : 10,000+, THAT BOUNDARIES NOT SURVEYED ARE SHOWN AS BROKEN LINES PLOTTED FROM INFORMATION SHOWN HEREON, AND THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED. WITNESS MY HAND AND SEAL THIS 26th DAY OF MARCH, 2015.

_____
PROFESSIONAL LAND SURVEYOR
L-3119
LICENSE NUMBER

RHYNE CONSERVATION PRESERVE
SOUTH FORK RAIL TRAIL
LINCOLN COUNTY, N.C.

MAP 1

REF. DEED BK 1115 PG 808	REF. PLAT BK: PG:
REF. DEED BK 1204 PG 127	PARCEL# 00815, 58181

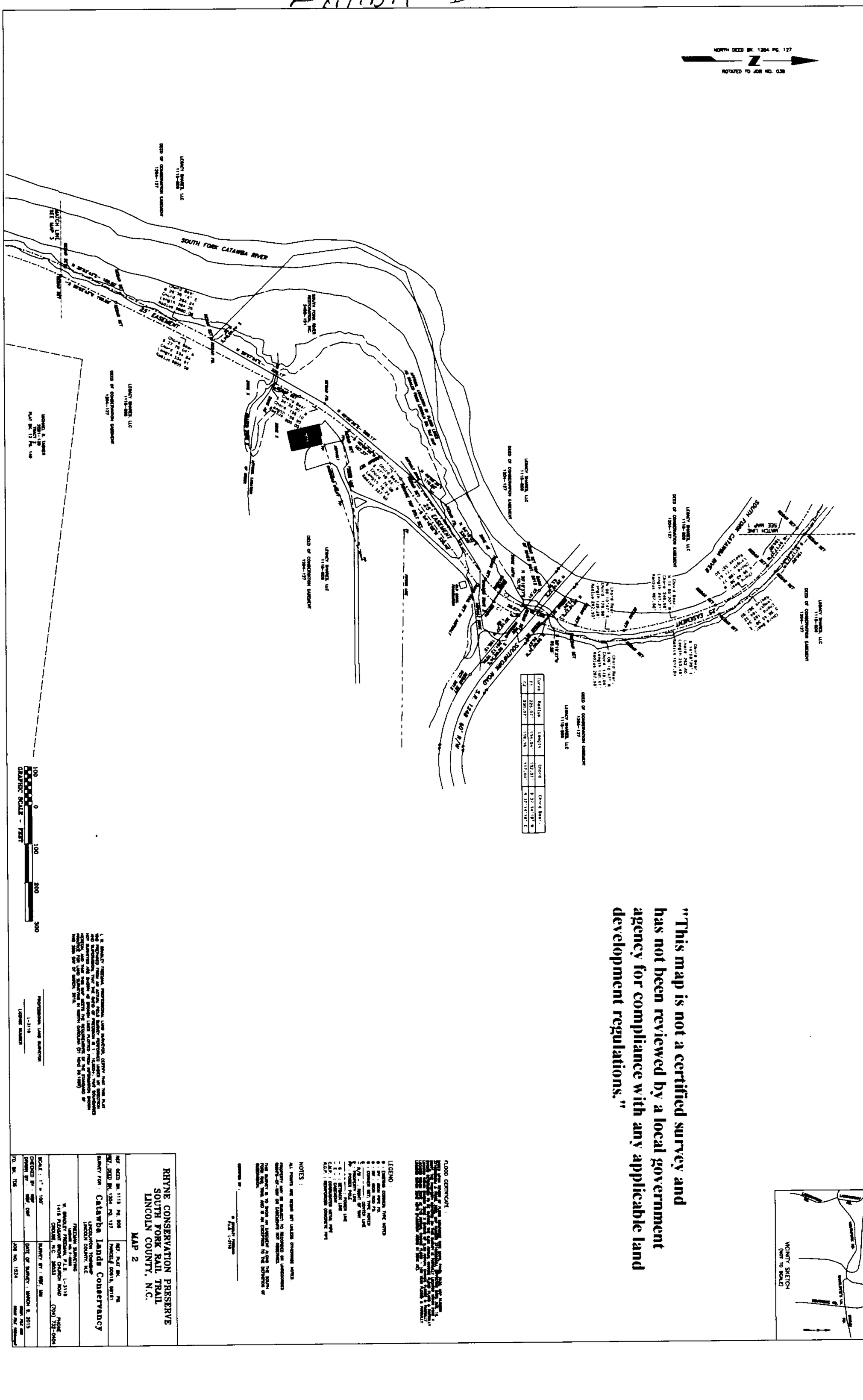
SURVEY FOR **Catawba Lands Conservancy**

LINCOLNTON TOWNSHIP
LINCOLN COUNTY, N.C.

FREEMAN SURVEYING
LICENSE NO. F-0000
W. BRADLEY FREEMAN, P.L.S. L-3119
1418 PLEASANT GROVE CHURCH ROAD
CROUSE, N.C. 28033 PHONE (704) 732-0404

SCALE 1" = 100'	SURVEY BY WBF, MM
CHECKED BY WBF	
DRAWN BY WBF, DWF	DATE OF SURVEY MARCH 9, 2015
FD BK TDS	JOB NO 1524

Exhibit B



"This map is not a certified survey and has not been reviewed by a local government agency for compliance with any applicable land development regulations."

FLOOD CERTIFICATE :

LEGEND :

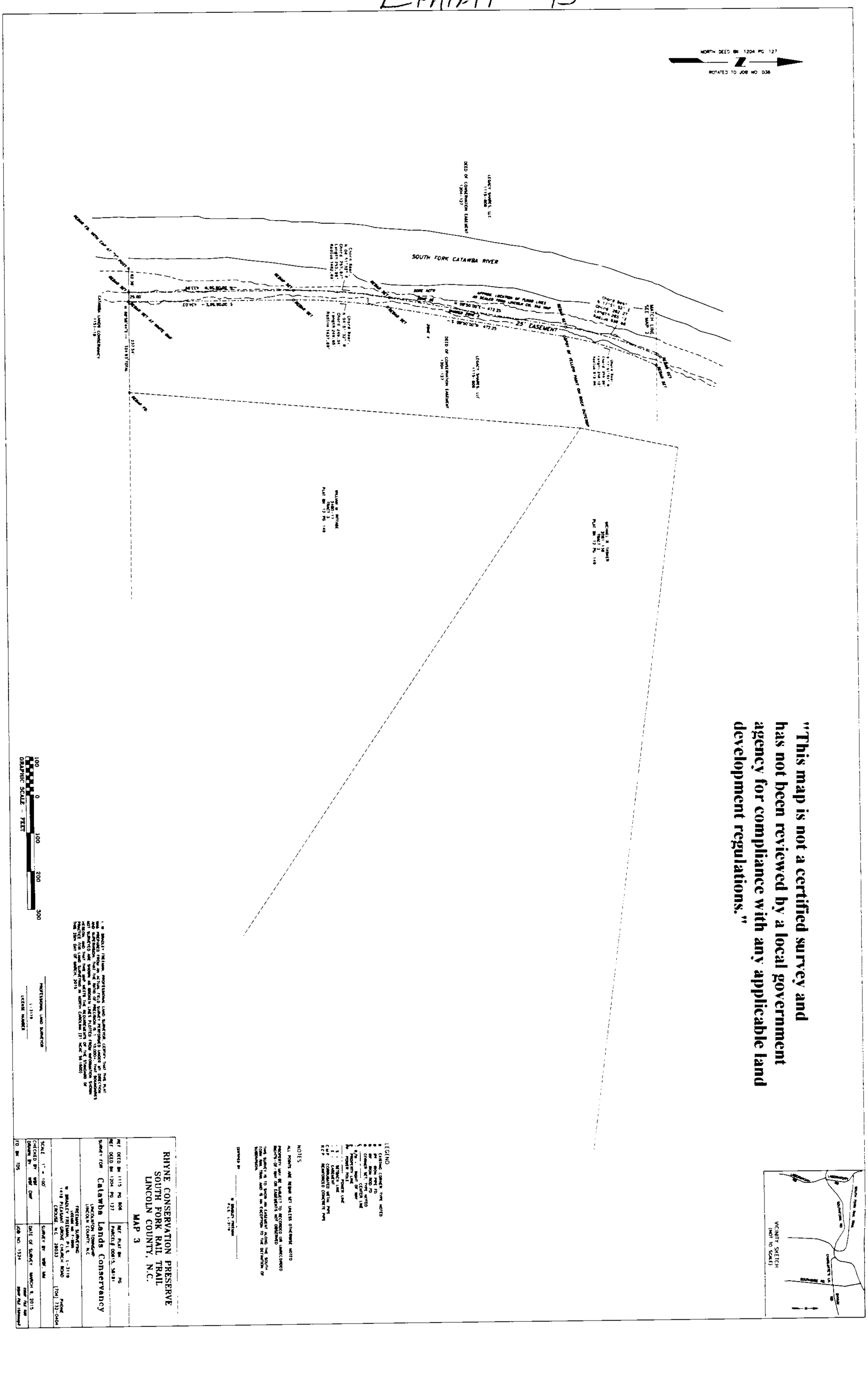
NOTES :

RHYNE CONSERVATION PRESERVE
SOUTH FORK RAIL TRAIL
LINCOLN COUNTY, N.C.

MAP 2

Catawba Lands Conservancy

Exhibit "B"



"This map is not a certified survey and has not been reviewed by a local government agency for compliance with any applicable land development regulations."

I, M. BRADLEY FREEMAN, PROFESSIONAL LAND SURVEYOR, CERTIFY THAT THIS PLAT WAS PREPARED FROM AN ACTUAL FIELD SURVEY PERFORMED UNDER MY DIRECTION AND SUPERVISION, THAT THE RATIO OF PRECISION IS 1 : 10,000+, THAT BOUNDARIES NOT SURVEYED ARE SHOWN AS BROKEN LINES PLOTTED FROM INFORMATION SHOWN HEREON, AND THAT THIS SURVEY MEETS THE REQUIREMENTS OF THE STANDARDS OF PRACTICE FOR LAND SURVEYING IN NORTH CAROLINA (21 NCAC 56.1600) THIS 25th DAY OF MARCH, 2015.

PROFESSIONAL LAND SURVEYOR

L-3119
LICENSE NUMBER

LEGEND

- EIP EXISTING IRON PIPE
- EIR EXISTING IRON ROD
- IPF IRON PIPE FD
- IRF IRON ROD FD
- CP CORNER SET, TYPE NOTED
- R/W RIGHT OF WAY
- PL PROPERTY LINE
- PP POWER POLE
- OHP OVERHEAD POWER LINE
- BL BUILDING LINE
- CL CENTERLINE
- CMP CORRUGATED METAL PIPE
- RCP REINFORCED CONCRETE PIPE

NOTES

ALL POINTS ARE REBAR SET UNLESS OTHERWISE NOTED

PROPERTY MAY BE SUBJECT TO RECORDED OR UNRECORDED RIGHTS-OF-WAY OR EASEMENTS NOT OBSERVED

THIS SURVEY IS TO SHOW AN EASEMENT ALONG THE SOUTH FORK RAIL TRAIL AND IS AN EXCEPTION TO THE DEFINITION OF SUBDIVISION.

CERTIFIED BY _____
M. BRADLEY FREEMAN
P.L.S. L-3119

RHYNE CONSERVATION PRESERVE
SOUTH FORK RAIL TRAIL
LINCOLN COUNTY, N.C.
MAP 3

REF DEED BK 1115 PG 606		REF PLAT BK	PG
REF DEED BK 1204 PG 127		PARCELS 00015, 58181	

SURVEY FOR: **Catawba Lands Conservancy**

LINCOLNTON TOWNSHIP
LINCOLN COUNTY, N.C.

FREEMAN SURVEYING
M. BRADLEY FREEMAN, P.L.S. L-3119
1418 PLEASANT GROVE CHURCH ROAD
CROUSE, N.C. 28033
PHONE (704) 732-0404

SCALE 1" = 100'	SURVEY BY: MBF, MM	
CHECKED BY: MBF	DATE OF SURVEY: MARCH 9, 2015	
DRAWN BY: MBF, DMF	JOB NO. 1324	

FD. BK 105

✓ Prepared by and mail after recording to: Johnathan L. Rhyne, Jr.
THE JONAS LAW FIRM
Post Office Box 38
Lincolnton, N.C. 28093

30

STATE OF NORTH CAROLINA

COUNTY OF LINCOLN

CORPORATION WARRANTY DEED

This deed, made this 13th day of April, 1999 by and between:

SOUTH FORK HOLDINGS, INC.

hereinafter referred to as "Grantor" ; and

LEGACY SHARES, LLC

Address: P.O. Box 38

Lincolnton, N.C. 28093-0038

hereinafter referred to as "Grantee."

The designation "Grantor and Grantee" as used herein shall include said parties, their heirs, personal representatives, successors and assigns and shall include the singular, plural, masculine, feminine or neuter as required by the context.

WITNESSETH, that the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in Lincoln County, N.C. and more particularly described as follows:

See Exhibit A attached hereto and incorporated herein by this reference.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereunto belonging to the said Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated. Title to the property hereinabove described is subject to the following exceptions:

Valid and enforceable reservations, restrictions, conditions, easements and rights-of-ways in the record chain of title.

IN WITNESS WHEREOF, said Grantor has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

SOUTH FORK HOLDINGS, INC.

By _____
President

ATTEST:

_____
Secretary

NORTH CAROLINA,

COUNTY OF LINCOLN.

I, a Notary Public for said County and State do hereby certify that Paul Conrad Rhyne, III personally came before me this day and acknowledged that he is _____ Secretary of South Fork Holdings, Inc., a North Carolina Corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its _____ President, sealed with its corporate seal and attested by Paul Conrad Rhyne, III as its _____ Secretary.

Witness my hand and Notarial Seal, this 13th day of April, 1999.

_____
Notary Public

My Commission Expires: 10/7/2003

NORTH CAROLINA, LINCOLN COUNTY
The foregoing certificate of Brandi L. Ballard, Notary Public of Lincoln County, NC, is certified to be correct. Presented for registration and recorded May 27, 1999, at 10:34 AM in Book 1115, Page 806.

ELAINE N. HARMON
Register of Deeds for Lincoln County, NC

BY: _____
Register of Deeds

F:\WP51\DEEDS\SOUTH.LEG 04/06/99

EXHIBIT A

Attached to Corporation Warranty Deed from South Fork Holdings, Inc. to Legacy Shares, LLC.

TRACT ONE: Lying on both sides of the South Fork River and the C&NW Railway track, in Lincolnton Township, Lincoln County, North Carolina, containing 221 acres, more or less, and including all buildings and improvements now upon said lands, consisting of the Laboratory Mill Dam and water rights, the brick residence of the late D. E. Rhyne the store building, the entire Laboratory tenant village of 29 houses, several warehouses and the brick manufacturing plant known as the Laboratory Mill, together with all of the machinery, equipment, apparatus and supplies located in and used in connection with said mill, the same consisting of 5,184 spindles, and cards, twisters, warp machines, spoolers, reels, winders and other equipment and machinery located in said mill, said land being more particularly described as follows:

BEGINNING at a stake, an old established corner on the Northeast bank of the South Fork River and runs thence N 42 E 18 poles crossing the C&NW Railway track to a stake; thence with the old line the following calls: S 26 E 13 1/2 poles; S 40 E 14 1/2 poles; N 75 1/2 E 13 poles; N 6 3/4 E 15 poles; N 27 1/2 E 11-1/5 poles; S 59 1/2 E 25-4/5 poles; N 31 E 24-4/5 poles; S 57 1/4 E 13-4/5 poles; N 46 E 14-4/5 poles; S 51 1/2 E 36 poles; S 53 E 40 poles; S 45 1/2 E 44 poles; S 37 E 28 1/2 poles to a stone in the old line; thence a new line S 30 W 18 poles crossing the C&NW Railway track to a stake on the Northeast bank of the river; thence up the Northeast bank of the river N 80 W 58 poles to a stake; thence crossing said river S 2 1/2 W 10 poles to a stake on the south bank; thence four new lines: S 21 E 8 poles; S 32 1/2 E 15 poles; S 5 E 26 1/2 poles; S 5 W 154-2/5 poles to a stake in the old line; thence with the old line all the way to the beginning, the following lines: N 29 3/4 W 35 poles to a stone; N 60 1/2 W 32 poles to a stone; N 41 1/2 E 41-2/5 poles to a stone; N 60 W 17 poles to a stone; N 80 1/4 W 41 1/2 poles to a stone; N 43 E 12-3/5 poles; N 24 1/2 E 18-1/5 poles to a stone; N 71 1/4 W 21-3/5 poles to a stone; N 8 1/2 W 19-4/5 poles to a stone; thence N 21 1/2 E 3 1/2 poles to a stake in the center of a dirt road, corner of the Laboratory Methodist Church lot; N 68 1/2 W 11-3/5 poles; N 2 W 16-4/5 poles to an iron stake; N 26 1/2 W 11-1/5 poles to a stake; N 34 1/2 W 20 poles to a stake; N 52 3/4 W 6 poles to a stake; N 67 W 19-1/5 poles to an iron stake; N 21 E 27 poles to an iron stake; N 53 W 64 poles to an iron stake; N 44 1/2 E 22 poles to an iron stake; N 52 1/2 W 49 1/2 poles to an iron stake; N 44 E 42 1/2 poles crossing the South Fork River to a stone, an old corner on the north bank; thence with the north bank of the river as it meanders to the beginning, containing 221 acres, more or less, according to a plat prepared by A. B. Heavner, Lincoln County Surveyor, made from an actual survey of said property by him, which plat is recorded in Plat Book A at Page 65 in the Office of the Register of Deeds for Lincoln County, to which reference is made.

TRACT TWO: Adjoining the First Tract and lying on both sides of the South Fork River and the C&NW Railway Track, in Lincolnton Township, Lincoln County, North Carolina containing 230 acres, more or less, and including all buildings and improvements now upon said land, consisting of the Southside Post Office and store building and 39 tenant houses, warehouses and the brick manufacturing plant known as the Lincoln Mill, together with all of the machinery, equipment, apparatus and supplies located in and used in connection with said mill, same consisting of 6,656 spindles, cards, pickers, twisters, spoolers, reels, winders and other equipment and machinery located in said mill, including the Lincoln Mill Dam and all water rights appurtenant thereto, the hydro-electric plant and all motors and equipment connected therewith, said land being more particularly described as follows:

BEGINNING at a stone in the old line on the north side of the C&NW Railway track, division corner between the Laboratory and Lincoln Mills properties, and runs thence S 30 W 18 poles crossing said railroad track to a stake on the north bank of the South Fork River; thence with the north bank of said river N 80 W 58 poles to a stake; thence crossing the river S 2 1/2 W 10 poles; thence S 21 E 8 poles; thence S 32 1/2 E 15 poles; thence S 5 E 26 1/2 poles; thence S 5 W 154-2/5 poles; thence S 27 3/4 E 21-4/5 poles; thence S 2 1/2 E 33 3/4 poles to a stake on the west bank of the river, beside a large sloping birch tree; thence with the west bank of the river S 29 W 65 poles; thence crossing the river N 68 3/4 E 36-4/5 poles to a stake; thence N 10 E 138-3/5 poles to a stake; thence N 74 E 140 poles to a stake; thence S 88 1/2 E 6 poles to a stake; thence N 16 E 41-2/5 poles to a stake; thence N 5 1/2 E 32 poles to a stake; thence N 72 E 7 poles to a stake in the center of the dirt road; thence with said dirt road N 8 1/2 E 28 1/2 poles to a stake; thence S 72 1/4 W 29 poles to a stone; thence N 63 W 138 poles to the beginning, containing 230 acres, more or less, as shown on a plat prepared by A. B. Heavner, Lincoln County Surveyor, made from an actual survey of said property and recorded in Plat Book A at Page 65 in the Office of the Register of Deeds for Lincoln County, to which reference is hereby made.

This conveyance is made subject to any outstanding, lawful alienation of mineral rights in the lands above described by any conveyance of D. E. Rhyne or his predecessors in title. And subject to a lien thereon for any deficiency which may remain after the application of the other assets of the D. E. Rhyne Estate to the payment of its debts and costs of administration.

TITLE REFERENCE: Being the identical property conveyed to D. E. Rhyne Mills, Inc., a corporation organized and existing under and by virtue of the laws of the State of North Carolina by deed from W. B. Rhyne, E. P. Rhyne, Paul C. Rhyne, Walter Rhyne and H. A. Rhyne, Commissioners appointed in a judgment and decree of sale of the Superior Court of Lincoln County, North Carolina, in Special Proceeding No. 5088 therein pending entitled, "W. B. Rhyne, et als vs. The Bank of Belmont, et als" which is a Special Proceeding to sell lands belonging to the late D. E. Rhyne for partition among tenants in common, dated December 15, 1937 and recorded in Deed Book 201, Page 38, Lincoln County Public Registry.

TRACT THREE: Described as Lot No. 11 on the Laboratory-Lincoln Mills plat, recorded in Plat Book A at Page 66 in the Office of the Register of Deeds for Lincoln County, otherwise bounded and described as follows: BEGINNING at an iron stake in the west margin of the dirt road which leads from State Highway No. 16 into Southside, corner of the Lincoln Mill tract, and runs with said Lincoln Mill tract S 72 1/4 W 29 poles to an iron stake; thence N 63 W 138 poles with the Lincoln Mill line to a stone; thence with Eli Huss' line N 37 E 117 1/5 poles to a stone; thence with his line S 70 1/4 E 61 4/5 poles to iron stake; thence S 14 E 59 4/5 poles to a stake in the dirt road; thence S 15 E 20 1/2 poles to a stake in said road; thence S 18 3/4 E 14 poles to a stake in said road; thence S 4 1/2 E 6 1/2 poles to a stake in said road; thence S 1 1/2 W 16 poles to a stake to a in said road; thence S 8 1/2 W 8
poles to the beginning, containing 84 1/2 acres, more or less.

TITLE REFERENCE: Being the identical property conveyed to D. E. Rhyne Mills, Inc. of Lincoln County, North Carolina by deed from W. B. Rhyne, E. P. Rhyne, Paul C. Rhyne, Walter Rhyne and H. A. Rhyne, Commissioners appointed in a judgment and decree of sale of the Superior Court of Lincoln County, North Carolina, in Special Proceeding No. 5088 therein pending entitled, "W. B. Rhyne, et als vs. The Bank of Belmont, et als" which is a Special Proceeding to sell lands belonging to the late D. E. Rhyne for partition among tenants in common, dated June _____, 1938 and recorded in Deed Book 209, Page 59, Lincoln County Public Registry.

TRACT FOUR: Being Lot No. 18 on the Laboratory-Lincoln Mills plat of record in Plat Book A at Page 66, Lincoln County Registry, BEGINNING at a stake in the dirt road, division corner between Lots Nos. 17 and 18 and runs with said road and with the line of the Lincoln Mill property S 8 1/2 W 18 1/2 poles to a stake in the center of the road; thence with the road S 72 W 7 poles to a stake in the road, corner of Lot No. 19; thence with another dirt road and with Lot No. 19 N 84 E 13 1/3 poles to a stake in the road; thence N 76 1/4 E 15 poles to a stake; thence N 9 3/4 E 18 1/2 poles to a stake; thence S 83 W 21 1/3 poles to the beginning, containing 2 5/16 acres, more or less.

TITLE REFERENCE: Being the identical property conveyed to D. E. Rhyne Mills, Inc., a North Carolina corporation, whose office and place of business is in Lincoln County, North Carolina by deed from W. B. Rhyne, E. P. Rhyne, Paul C. Rhyne, Walter Rhyne and H. A. Rhyne, Commissioners appointed in a judgment and decree of sale of the Superior Court of Lincoln County, North Carolina, in Special Proceeding No. 5088 therein pending entitled, "W. B. Rhyne, et als vs. The Bank of Belmont, et als" which is a Special Proceeding to sell lands belonging to the late D. E. Rhyne for partition among tenants in common, dated July _____, 1938 and recorded in Deed Book 209, Page 60, Lincoln County Public Registry.

TRACT FIVE: BEGINNING at a stake in the old line, the Northeast corner of Lot No. 10 where same joins the 230 acre Lincoln Mill tract, and runs thence with the old line S 22 1/2 W 9 3/5 poles to a stake; S 20 1/4 W 10 poles to a stake; then S 49 1/2 W 42 poles to a stone; S 20 1/2 W 19 poles to a stone; S 48 1/2 E 24 poles to a stone; S 19 3/4 W 53 4/5 poles to a stone; S 68 3/4 W 123 1/5 poles to a stake; thence a new line with the line of the 230 acre Lincoln Mill Tract N 10 E 138 3/5 poles; thence another new line with Lincoln Mill Tract N 74 E 140 poles to a stake, the beginning corner, containing 89 3/4 acres, more or less.

TITLE REFERENCE: Being the identical property conveyed to D. E. Rhyne Mills, Inc., a North Carolina corporation, whose office and principal place of business is in Lincoln County, North Carolina by deed from W. B. Rhyne, E. P. Rhyne, Paul C. Rhyne, Walter Rhyne and H. A. Rhyne, Commissioners appointed in a judgment and decree of sale of the Superior Court of Lincoln County, North Carolina, in Special Proceeding No. 5088 therein pending entitled, "W. B. Rhyne, et als vs. The Bank of Belmont, et als" which is a Special Proceeding to sell lands belonging to the late D. E. Rhyne for partition among tenants in common, dated July _____, 1938 and recorded in Deed Book 209, Page 62, Lincoln County Public Registry.

BARRING AND EXCEPTING from the foregoing tracts are the following tracts which are not conveyed by this deed:

FIRST TRACT NOT CONVEYED: BEGINNING at a new iron pin, said new iron pin being located the following courses and distances from the intersection of the center line of State Road #1248 and the center line of an existing drive: South 86 deg. 11 min. 1 sec. West 203.85 feet, South 85 deg. 4 min. 45 sec. West 81.80 feet, South 69 deg. 55 min. 21 sec. West 152.51 feet; and thence running from said beginning point, South 45 deg. 20 min. 16 sec. West 408.14 feet to a new iron pin; thence South 35 deg. 9 min. 31 sec. West 338.27 feet to a new iron pin; thence North 39 deg. 36 min. 2 sec. West 253.29 feet to a point in the center of the South Fork River; thence a line with the center of the South Fork River, North 32 deg. 31 min. 13 sec. East 411.97 feet to a point in the center line of the South Fork River; thence another line with the center of the South Fork River, South 73 deg. 43 min. 8 sec. East 400.45 feet to a point in the center of the South Fork River; thence South 24 deg. 00 min. East 100.0 feet to a new iron pin, the point and place of BEGINNING. The foregoing tract contains 3.948 acres, more or less. The foregoing description is taken from a survey dated March 23, 1992, prepared by Gene Ross, Registered Surveyor. Also retained in connection with the foregoing tract is a perpetual and appurtenant

easement over and across the existing drive as shown on the said survey from the said tract to and from State Road #1248. Said easement is retained for vehicular and pedestrian ingress and egress to and from the said tract over said existing drive to and from State Road #1248. THE FOREGOING TRACT CONTAINS RHYNE MILLS, INC. PLANT NO. 1 NOW OWNED BY CAROLINA MILLS, INC.

SECOND TRACT NOT CONVEYED: BEGINNING at a fire hydrant, said fire hydrant being located North 37 deg. 8 min. 45 sec. East 75.63 feet from a point in the center line of State Road #1252; and running from said beginning point, South 86 deg. 12 min. East 82.08 feet to a new iron pin; thence North 63 deg. 29 min. 21 sec. East 243.57 feet to a new iron pin; thence South 89 deg. 3 min. 21 sec. East 437.02 feet to a new iron pin; thence North 57 deg. 57 min. 9 sec. West 754.33 feet to a new iron pin within the right of way of State Road #1252; thence a line within the right of way for State Road #1252, South 11 deg. 6 min. 24 sec. West 505.82 feet to a fire hydrant, the point and place of BEGINNING. The foregoing tract contains 3.66 acres, more or less. The foregoing description is taken from a survey dated March 21, 1992, by Gene Ross, Registered Surveyor. THE FOREGOING TRACT CONTAINS RHYNE MILLS, INC. PLANT NO. 2.

THIRD TRACT NOT CONVEYED: BEGINNING at a spike within the right of way for State Road #1248, said spike being located the following courses and distances from a point in the center line of State Road #1252: North 71 deg. 42 min. 22 sec. East 449.47 feet and South 86 deg. 13 min. 32 sec. East 115.61 feet; said spike also being located 11.3 feet from the center line of State Road #1248; and running thence from said spike, South 00 deg. 18 min. 52 sec. West 238.74 feet to a new iron pin; thence North 89 deg. 26 min. 44 sec. West 114.60 feet to a new iron pin; thence North 00 deg. 7 min. 39 sec. East 245.24 feet to a new iron pin within the right of way for State Road #1248; thence a line within the right of way for State Road #1248, South 86 deg. 13 min. 32 sec. East 115.61 feet to a spike, the point and place of BEGINNING. The foregoing tract contains 0.638 acres, more or less. The foregoing description is taken from a survey dated March 25, 1992, by Gene Ross, Registered Surveyor. THE FOREGOING TRACT CONTAINS RHYNE MILLS, INC. PLANT NO. 3.

FOURTH TRACT NOT CONVEYED: BEGINNING at a point in the center line for State Road #1243, said beginning point being located North 9 deg. 5 min. 49 sec. East 6.09 feet from the intersection of the center line for State Road #1423 and the center line for State Road #1243; and running thence from said beginning point a line with the center line for State Road #1243, North 9 deg. 5 min. 49 sec. East 401.56 feet to a point in the center line for State Road #1243; thence South 69 deg. 38 min. 2 sec. West 381.18 feet to a new iron pin; thence South 16 deg. 25 min. 43 sec. East 314.67 feet to a new iron pin located in the line with South River Baptist Church; thence a line with South River Baptist Church, North 79 deg. 30 min. 00 sec. East 208.36 feet to a point in the center line for State Road #1243, the point and place of BEGINNING. Said tract contains 2.278 acres, more or less. The foregoing description is taken from a survey dated March 25, 1992, by Gene Ross, Registered Surveyor. THE FOREGOING TRACT CONTAINS RHYNE MILLS, INC. PLANT NOS. 4 AND 5 NOW OWNED BY CAROLINA MILLS, INC.

FIFTH TRACT NOT CONVEYED: BEGINNING at a point on a bridge over the South Fork River, said beginning point being located in the center line of the existing pavement of Highway #150-Bypass; and running from said beginning point a line with the center line of existing pavement of Highway #150-Bypass, South 66 deg. 19 min. 45 sec. West 782.74 feet to a point in the center line of existing pavement of Highway #150-Bypass; thence South 52 deg. 30 min. 00 sec. East 13.6 feet to a new iron pin; thence South 52 deg. 30 min. 00 sec. East 642.57 feet to an existing iron pin, corner with Navey (now or formerly); thence South 53 deg. 13 min. 53 sec. East 300.0 feet to a new iron pin (passing an existing iron pin at 166.14 feet); thence North 38 deg. 2 min. 36 sec. East 823.77 feet to a point in the center line of South Fork River; thence with the

center line of South Fork River the following courses and distances to the point and place of BEGINNING: North 51 deg. 35 min. 45 sec. West 135.62 feet, North 70 deg. 43 min. 22 sec. West 460.41 feet and North 70 deg. 43 min. 22 sec. West 13.6 feet. The foregoing tract contains 13.06 acres, more or less. The foregoing description is taken from a survey dated March 20, 1992, prepared by Gene Ross, Registered Surveyor. THE FOREGOING TRACT CONTAINS RHYNE MILLS, INC. PLANT NOS. 7, 8 and 9 NOW OWNED BY DENVER INVESTORS.

THE FOLLOWING PROPERTIES ARE ALSO BARRED AND EXCEPTED AND ARE NOT CONVEYED HEREIN:

1. 0.917 acres, more or less, conveyed to David Wayne Navey and wife, Anita S. Navey on February 11, 1993, recorded in Book 819, Page 357, of the Lincoln County Public Registry.

2. 7.0 acres, more or less, conveyed to Johnathan L. Rhyne, Jr. and wife, Martha C. Rhyne on December 7, 1993 as recorded in Book 851, Page 621 of the Lincoln County Public Registry.

3. 4.719 acres, more or less, conveyed to E. Scott Carpenter and wife, Marni S. Carpenter by deed dated April 1, 1996, recorded in Book 936, Page 566, of the Lincoln County Public Registry.

4. 9.528 acres, more or less, conveyed to Virginia G. Rhyne by deed dated March 7, 1996, recorded in Book 933, Page 376, of the Lincoln County Public Registry.

5. 3.789 acres, more or less, conveyed to L. James Farmer, Jr. and wife, Charlotte R. Farmer, recorded in Book 830, Page 115, of the Lincoln County Public Registry.

[F:\WP51\RHYNE\SFTOLEG.EXH] 04/06/99