

Parcel 7751050286
Parcel 7751046696

STATE OF NORTH CAROLINA
COUNTY OF RANDOLPH

DEED OF CONSERVATION EASEMENT
AND RIGHT OF FIRST REFUSAL

This Deed of Conservation Easement and Right of First Refusal ("Conservation Easement") is made on this [redacted] day of [redacted], 20[redacted], by [redacted] with an address at [redacted] ("Grantor(s)"), and THREE RIVERS LAND TRUST, INC., a non-profit North Carolina corporation, with its address at 204 East Innes Street, Salisbury NC 28144, ("Grantee") for the purpose of forever conserving the natural area character, forests, wildlife, water and wetland resources, and scenic qualities of the subject property.

Drawn by and mail to:

**Three Rivers Land Trust
204 East Innes Street, Suite 120
Salisbury, NC 28144**

RECITALS

A. The Grantor(s) is the sole owner in fee simple of the property ("Property") legally described in Exhibit "A" and shown on Exhibit "B", attached hereto and incorporated by this reference, being two (2) tracts of land totaling approximately twenty nine and eight tenths (29.8) acres located on the end of Sunset Drive in Asheboro Township, Randolph County, State of North Carolina: Tract 1 being seventeen and seventy-eight hundredths (17.78) acres and identified as Parcel 7751050286 in the Randolph County Registry of Deeds; and Tract 2 being twelve and eight hundredths (12.08) acres identified as Parcel 7751046696 in the Randolph County Registry of Deeds.

B. Grantee is a nonprofit corporation established for the purpose of promoting the preservation of environmentally valuable and sensitive lands, agricultural lands, lands of historic or cultural importance and open space in the Yadkin Pee-Dee River watershed for charitable, scientific, educational and aesthetic purposes.

C. The Property possesses significant natural, scenic, open space, educational, recreational and/or water quality/riparian, buffer values (collectively "Conservation Values") of great importance to Grantor(s), to Grantee and to the people of North Carolina and this nation.

The specific Conservation Values of the Property, and their current use, are summarized hereunder and documented in a report (the "Baseline Documentation Report") on file at the office of the Grantee and incorporated herein by this reference, which consists of maps, photographs and reports. The Baseline Documentation Report will be prepared by Grantee with the cooperation of the Grantor(s). Both the Grantor(s) and the Grantee will be given copies of this report. The Baseline Documentation Report will be used by the parties to assure that any future changes in the use of the Property will be consistent with the terms of this Conservation Easement. However, this report is not intended to preclude the use of other evidence to establish the present condition of the Property if there is a controversy over its use. The parties agree that the report provides, collectively, an accurate representation of the Property at the time of this grant and is intended to serve as an objective point of reference from which to monitor compliance with the terms of this grant.

D. The Property is prominently visible from the public roadway of Sunset Drive and contributes to the natural scenic character of the region.

E. The Property is a forested tract of land that contains a natural area that has not been subject to significant development, providing "relatively natural habitat for fish,

wildlife or plants or similar ecosystem” as that phrase is used in § 170(h)(4)(A)(ii) of the Internal Revenue Code (the “Code”).

F. The Property provides varying topography and has a range of soil types as well as scenic vistas across the property.

G. Because of its location in the Yadkin-Pee Dee watershed, the Property, if preserved in accordance with this Conservation Easement, will contribute to the maintenance of surface water and ground water quality of the Haskett Creek watershed.

H. The Property can provide a significant and substantial public benefit in the form of relief from urban closeness as the neighboring City of Asheboro continues to expand and increase in population.

I. Grantor(s) and Grantee recognize the natural, scenic, aesthetic, and special character and opportunity for enhancement of the Property, and have the common purpose of the conservation and protection in perpetuity of the Property as “open space (including forest land) where such preservation is for the scenic enjoyment of the general public...and will yield a significant public benefit” as that phrase is used in § 170(h)(4)(A)(iii) of the Code and in the regulations promulgated thereunder by the United States Department of the Treasury (hereinafter “Treasury Regulations”) by placing voluntary restrictions upon the use of the Property and by providing for the transfer from the Grantor(s) to the Grantee of affirmative rights for the protection of the Property so as to be considered a “qualified conservation contribution” as such term is defined in Code § 170(h) and the Treasury Regulations promulgated thereunder.

J. The Property has outstanding open space and scenic and recreational qualities, the preservation of which is pursuant to federal, state and local government conservation policy and will yield significant public benefit as evidenced by the:

(1). Requirement by the State of North Carolina of a basinwide management plan for the Yadkin-Pee Dee River, for the purpose of protecting water quality, public water supply, significant wetlands and natural areas along the corridor.

(2). N.C.G.S. 113-145.1 Recognition by the legislature of the importance of protecting water quality.

(3). N.C.G.S. 121-34 et seq. The Uniform Conservation and Historic Preservation Agreement Act, (the “Act”), which provides for the enforceability of restrictions, easements, covenants or conditions “appropriate to retaining land or water areas predominantly in their natural, scenic or open condition or in

agricultural, horticultural, farming or forest use”. The Act further provides for tax assessment of lands subject to such agreements “on the basis of the true value of the land and improvement less any reduction in value caused by the agreement”.

(4). N.C. G. S. 143B-0135.230 et seq. The North Carolina Land and Water Fund, formally known as the Clean Water Management Trust Fund, recognizes the importance of protecting riparian buffers in protecting and conserving clean surface water.

(5). N.C. G. S. 139-2 et seq. The declaration of policy for soil and water conservation districts states that “the farm, forest and grazing lands of the State of North Carolina are among the basic assets of the State and the preservation of these lands is necessary to protect and promote the health, safety and general welfare of its people ... [I]t is hereby declared to be the policy of the legislature to provide for the conservation of the soil and resources of this State.”

(6). Article XIV, Section 5 of the Constitution of the State of North Carolina. “It shall be the policy of the State to conserve and protect its lands and waters for the benefit of all its citizenry, and to this end it shall be a proper function of the State of North Carolina and its political subdivision to acquire and preserve park, recreational, and scenic areas, to control and limit the pollution of our air and water, to control excessive noise, and in every other appropriate way to preserve as a part of the common heritage of this state its forests, wetlands, estuaries, beaches, historical sites, openlands, and places of beauty.”

(7). Zoning of the Property by Randolph County as Medium Density Residential (R15):

K. The Grantor(s) owns the entire fee simple interest in the Property, including the entire mineral estate.

L. The Grantee is (i) a "qualified conservation organization," as defined by the Code, as evidenced by its IRS determination letter dated April 14, 2000, and 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 interests in land including conservation easements, (ii) a “qualified organization” and an “eligible donee” within the meaning of Section 170(h)(3) of the Code and the Treasury Regulations thereunder, and, as approved by vote of its Board of Directors, accepts the responsibility of enforcing the terms of this Conservation Easement and upholding its Conservation Purposes forever.

ARTICLE I. PURPOSE OF THE CONSERVATION EASEMENT

A. It is the purpose of this Conservation Easement to protect and preserve the Property in its current scenic and open space condition, to conserve the water quality, wetland and riparian values of the Property, to conserve the scenic vistas of the Property, and to preserve the woodland, and natural character of the Property for public benefit.

B. It is also the purpose of this Conservation Easement to assure the sustained, natural capacity of the Property and its soils to support healthy and vigorous forest growth.

C. It is also the purpose of this Conservation Easement to allow the continuation of historic and traditional uses of the Property as a recreational property, and to allow for the introduction of limited new uses that are compatible and consistent with the Conservation Values of the Property such as minimum-impact educational, recreational and research activities, subject to the rights and privileges reserved by Grantor(s).

D. It is also the purpose of this Conservation Easement to confine the use of the Property to activities that are consistent with the Purposes of this Conservation Easement and to prohibit and prevent any use of the Property that will materially impair or interfere with the Conservation Values of the Property, except the rights and privileges reserved by the Grantor(s).

(Hereinafter these purposes outlined in Paragraphs A, B, C, and D will be known as the “Purposes of this Conservation Easement.”)

NOW, THEREFORE, in consideration of the foregoing Recitals and Purposes and for the benefit of the general public, as an absolute gift of no monetary consideration but in consideration of the mutual terms, covenants, and restrictions hereinafter set forth, Grantor(s) unconditionally and irrevocably hereby grants and conveys unto Grantee, its successors and assigns, forever and in perpetuity a Conservation Easement of the nature and character and to the extent hereinafter set forth, on, over, and across the Property, together with the right to preserve and protect the Conservation Values thereof.

ARTICLE II. DURATION OF CONSERVATION EASEMENT

This Conservation Easement shall be perpetual. It is an easement in gross, runs with the land and is enforceable by Grantee against Grantor(s), Grantor(s)'s personal representatives, heirs, successors and assigns, lessees, agents and licensees.

ARTICLE III. AFFIRMATIVE RIGHTS OF GRANTEE

Grantor(s) hereby conveys the following rights to the Grantee:

A. Right of Visual Access. To have visual access to, and view of, the Property in a natural, scenic, open and undisturbed condition, provided that such right shall not be construed to permit general public access over or upon the Property;

B. Right to Monitor. To enter upon the Property in a reasonable manner and at reasonable times in order to monitor compliance with the Conservation Easement and to further document natural features on the Property. Grantee shall not unreasonably interfere with Grantor(s)'s use and quiet enjoyment of the Property;

C. Right to Prevent Inconsistent Uses. To prevent Grantor(s), all subsequent owners, or third persons from conducting any activity on or use of the Property that is inconsistent with the Purposes of this Conservation Easement and not permitted hereunder; to preserve and protect the Conservation Values of the Property; provided, however, that Grantor(s) shall have reasonable discretion with respect to its use of the Property and management practices so long as those uses and practices are consistent with the terms and conditions of this Conservation Easement;

D. Right to Require Restoration. To require Grantor(s), all subsequent owners, or third persons to restore such areas, wildlife habitat or features of the Property that may be damaged by any Prohibited Uses (as delineated below in Article V), or any activity or use inconsistent with the Purposes of this Conservation Easement;

E. Management of Exotic and Invasive Species. The right, but not the obligation, to control, manage or destroy exotic non-native species or invasive species of plants and animals that threaten the Conservation Values of the Property. Grantee will consult with Grantor(s) prior to implementing control activities; and

F. Right of Discretionary Consent. If, due to unforeseen circumstances, any of the activities prohibited under this Conservation Easement are deemed desirable by both the Grantor(s) and the Grantee, the Grantee may, in its sole discretion, give permission for such activities, subject to such limitations as it deems necessary or desirable and provided further:

1. The activities will not adversely affect the qualification of this Conservation Easement as a "Qualified Conservation Easement" under any applicable laws, particularly §§170(h) and 2031(c) of the Code or the Act.

2. The activities will not adversely affect the “tax exempt” status of the Grantee under any applicable laws, including §501(c)(3) of the Code and Treasury Regulations promulgated thereunder.

3. In no case shall the Grantee or Grantor(s) have the right or power to agree to any activities that would result in the termination of this Conservation Easement.

4. The activities will in no way impair or interfere with the Conservation Values of the Property, and the Property's natural resources and associated ecosystems.

G. Right of First Refusal. In any case of any contemplated sale of the Property or any portion thereof by the Grantors or any successors in title thereto, first refusal as to any bona fide offer of purchase must be given to the Grantee, its successors or assigns. If Grantee so decides to purchase, it shall notify the then owners of its willingness to buy upon the same terms within thirty (30) days of receipt of written notice of such bona fide offer. Failure of Grantee to notify the then owner of its intention to exercise the right of first refusal within such thirty (30) day period shall free the owner to sell pursuant to the bona fide offer. Provided, however, that if there are any outstanding deeds of trust or any encumbrances against the Property, any right to repurchase shall be subject to said deeds of trust or encumbrances, and they shall either be satisfied or assumed as part of the purchase price.

ARTICLE IV. RESERVED RIGHTS

A. Reserved Rights. Notwithstanding any provision to the contrary contained in this Conservation Easement, Grantor(s) reserves to himself, and to his personal representative, heirs, successors, and assigns, the following rights, uses and activities (collectively, the “Reserved Rights”). All Reserved Rights enumerated in this Paragraph are considered to be consistent with the Conservation Purposes of this Conservation Easement and, except to the extent that prior written approval of Grantee is required by any paragraph of this Article, require no prior notification to or approval by Grantee; and shall apply to the Property in its entirety. The exercise of all Reserved Rights shall be in full accordance with all applicable local, state and federal laws and regulations, as well as in accordance with the Purposes of this Conservation Easement.

(1). Allowed Activities. The right to engage in all activities or uses not expressly prohibited by governmental statute or regulation, not expressly prohibited herein and not inconsistent with the Purposes of this Conservation Easement.

(2). Recreational Uses. The right to engage in any non-commercial minimum impact outdoor recreational uses and activities, including fishing, hunting, recreational shooting, hiking, swimming, wildlife observation, horseback riding, bird-watching, photography, or other activities that are not disruptive to the natural environment, do not impair the Conservation Values of the Property and are in compliance with all applicable federal, state and local statutes and regulations.

(3). Roads and Driveways. The right to provide roads and parking areas for permitted access on the Property and to create and maintain drainage ditches for existing and new roads through the Property. Grantor(s) shall use existing roads wherever possible. There shall be no paving of any roadway located within the Property with non-permeable materials.

Maintenance of roads shall be limited to standard practices for non-paved roads, such as: grading and road stabilization; the removal of dead vegetation; necessary pruning or removal of hazardous trees and plants; application of permeable materials such as sand, gravel, shell sand or crushed stone to repair or enhance the road bed; application of permeable materials such as sand, gravel, shell sand or crushed stone in the minimum amount needed to correct erosion; maintenance of roadside ditches; and the placement of culverts or other water control structures.

(4). Fences. The right to repair and replace existing fences and to build new fences on the Property for purposes of reasonable and customary management of wildlife without any further permission of the Grantee.

(5) Pathways and Trails. The right to provide and to create and maintain new pathways and trails through the Property, provided such pathways and trails shall be no larger than the minimum width necessary to allow the reasonable passage of a pedestrian, bicyclist, or equestrian. All trails must be located at a minimum distance of fifteen (15) feet from the top of the bank of the Cedar Fork Creek and tributaries thereto, unless such locations are physically impracticable. There shall be no paving of any pathway located on the Property with any non-permeable materials.

(6). Burn Piles. The right to create burn piles on the Property for the disposal of combustible refuse generated on the Property, provided there shall be no burning, dumping or deposit of toxic or hazardous substances or household garbage. All non-combustible refuse, junk, waste, trash, and garbage shall be disposed of at a location not on the Property.

(7). Vegetation Management, Gardens and Landscaping. The right to manage, cut and remove grass and other vegetation on the Property and to landscape along permitted roads and driveways. The purpose of this provision is to allow the Grantor(s) to maintain the Property in the condition described in the Baseline Documentation Report and to create new gardens, landscaping and vistas for the roads and driveways while at the same time protecting the natural forest and vegetative cover, wetlands and wildlife habitat on the Property subject to the provisions in Article IV Paragraph A Section 12 relating to forestry use.

(8). Routine Maintenance. The right to perform routine maintenance and upkeep of the Property, including the right to maintain existing fields or pastures, consistent with the Purposes of this Conservation Easement. The purpose of this provision is to allow the Grantor(s) to maintain the vegetative cover of the Property in the condition described in the Baseline Documentation Report.

In addition, the Grantor(s) reserves the right to cut any tree when it is necessary to salvage timber damaged by natural causes such as insect infestation, disease, hurricane, lightning, fire, wind or flood.

(9). Lease. The right to lease all or a portion of the Property, it being understood that any such lease shall be subject to this Conservation Easement in all respects.

(10). Transfer of Property. Subject to the terms of Article IV Paragraph A Section 9 above and Article IX Paragraph B, Grantor shall be permitted with the right to sell, gift, mortgage, lease, or otherwise convey the Property. Grantor agrees that any mortgage of the Property shall be subordinate to the terms of this Conservation Easement.

(11). Ecological Restoration. The right to use and modify the Property for wetland restoration, forest restoration or any other ecologically appropriate habitat restoration project to protect and promote biodiversity, particularly related to the native plant community. In addition, Grantor(s) reserves the right to receive funding for any approved habitat restoration activity. This right is subject to approval in accordance with Article IV Paragraph B below and subject to compliance with all applicable federal, state and local statutes and regulations. It is the purpose of this provision to allow for and encourage the restoration or mitigation of any native species or community impacted by regional habitat alteration. Nothing within this Conservation Easement shall preclude the Grantor(s) from the construction or creation of ponds on the Property, subject to the prior approval of Grantee.

(12). Forestry Uses. The cutting, removal or harvesting of trees, including clearing land for cultivation or for pasture restoration, or commercial timber harvesting, is prohibited. The removal of sick, malformed, dead or dying trees to enhance the overall forest health is permitted

(13). Wildlife Management Uses. The right to conduct activities to conserve, manage, maintain or improve wildlife habitats for a diversity of game and non-game species, including the following:

(a). The right to trap and hunt subject to all applicable federal, state, and local regulations;

(b). The right to participate in any federal or state wildlife management programs, including the right to receive funding for any such management program;

(c). The right to research, inventory, and document wildlife use on the Property, including the right to receive funding for any such activity;

(14). Agricultural Structures. There are to be no agricultural structures on the property.

(15). Residential Structures, New Construction and Access. Grantor(s) shall be permitted to build, maintain, alter, improve, and replace **one (1)** new single-family residential dwelling(s), together with accessory outbuildings and facilities not for human habitation, including but not limited to power and communication utilities, septic waste disposal systems, fresh water supply, driveway, and usual and customary household outbuildings, including a garage and storage shed. The area impacted by each residence, including accessory outbuildings, facilities, and managed lawn areas, will be contained within an area no greater than **one (1) acre** in size and will be located as shown on **Exhibit B** (the “**Building Envelope**”).

(16). Hunting and Fishing. The right to recreational hunting, trapping or fishing by the Grantor(s) and the Grantor(s)’s family and guests and the right to the seasonal lease (including payment for said lease) of hunting and fishing rights on the Property. All hunting, trapping and fishing activities allowed herein shall be conducted in accordance with all applicable local, state and federal regulations.

B. Prior Approval by Grantee.

(1). The exercise of certain rights reserved by the Grantor(s) under Sections (9), (10), (11), (12), (14) and (15) of Paragraph A above is subject to prior approval by Grantee for such proposed activity or use, which approval shall not be unreasonably withheld. The purpose of requiring Grantor(s) to notify Grantee prior to undertaking certain permitted activities is to afford Grantee an adequate opportunity to evaluate the activities in question to ensure that they are designed and carried out in a manner that is not inconsistent with the Purposes of this Conservation Easement. In evaluating each request of the Grantor(s), the Grantee shall take into account each of the following:

(a). Whether use of the site for the proposed activity would materially and adversely impair the scenic qualities of the Property that are visible to the general public on Sunset Drive

(b). Whether use of the site for the proposed activity would damage, destroy or unnecessarily fragment an unreasonable amount of wildlife habitat or wetlands;

(c). Whether all reasonable efforts have been made to prevent or minimize disturbance of the Property;

(d). Whether the use of the site for the proposed activity would destroy an unreasonable amount of prime agricultural soil (as such term is defined by the United States Department of Agriculture or successor agency);

(e). Whether the use of the site for the proposed activity would create an unreasonable amount of impervious surface; and

(f). Whether the proposed activity or use of the site for the proposed activity would otherwise materially and adversely affect the Purposes of this Conservation Easement or the Conservation Values of the Property.

For purposes of this section, “unreasonable amount” is defined as a quantity or impact that knowledgeable experts in ecology and natural resource sciences, deemed qualified by the Grantee, would agree significantly and irreparably impairs the Conservation Values.

(2). Any request for Grantee approval of an activity or notification of a new permitted activity shall be made by certified mail, return receipt requested, and accompanied by a reasonable description of the nature, scope, location, timetable, and any other material aspect of the proposed activity, in sufficient

detail to permit Grantee to evaluate and monitor such activity. Grantee shall respond to such request within one-hundred and twenty (120) days of confirmed delivery by certified mail.

Any activity on, or use of, the Property not inconsistent with the purposes of this Conservation Easement (and/or any management plan subsequently entered into by the parties pursuant to the terms hereof) and not specifically prohibited is permitted. The Property shall be maintained in its natural, scenic, rural and open condition and restricted from any development or use that would impair or interfere with the Conservation Purposes of this Conservation Easement set forth in the Recitals above.

All rights reserved by Grantor(s) are considered to be consistent with the Conservation Purposes of this Conservation Easement and, except to the extent that prior written approval of Grantee is required by any paragraph of this Article, require no prior notification to or approval by Grantee. Notwithstanding the foregoing, the Grantor(s) and Grantee have no right to agree to any activity that would result in the termination of this Conservation Easement or would cause it to fail to qualify as a qualified conservation contribution as described in § 170(h) of the Code, or any regulations promulgated thereunder.

ARTICLE V. PROHIBITED USES

Subject to the Reserved Rights (delineated in Article IV), Grantor(s) will not perform or permit the following acts or uses on, over or under the Property:

A. Wetlands and Overall Water Quality. Within one-hundred (100) feet of any water body, or passage, (including intermittent streams as shown on the USGS Topographical Map) there shall be no pollution or alteration of water bodies of any kind and no activities that: would be detrimental to water purity or that would alter natural water levels, drainage, sedimentation and/or flow in or over the Property or into any surface waters, or cause soil degradation or erosion, or any sort of diking, dredging, alteration, draining, filling or removal of wetlands, EXCEPT for activities to restore natural hydrology, enhance wetlands (as permitted by state and any other appropriate authorities) and trails located within this one-hundred (100) foot buffer that exist at the time of this Conservation Easement as further described in the Baseline Documentation Report. There shall be no activities on the overall property that would significantly impair water purity or that would alter natural water levels, drainage, sedimentation and/or flow in or over the Property or cause soil degradation or erosion. Diking, dredging, alteration, draining, filling or removal of wetlands is prohibited.

B. Signs. The display of billboards, signs or advertisements is prohibited on or over the Property, except: “no trespassing” signs; local, state or federal traffic signs or similar informational signs; “for sale or lease” signs; signs identifying the conservation and/or historic values of the Property; signs for any other permitted use of the Property; signs identifying the Grantor(s) as owner of the Property and Grantee as holder of this Conservation Easement; and/or any other similar temporary signs approved by Grantee.

C. Dumping. The dumping of soil, trash, ashes, garbage, waste, abandoned vehicles, appliances, machinery, or other materials on the Property by Grantor is prohibited. Yard waste, other organic matter, compost, and other non-hazardous materials that are generally used in or are a byproduct of permitted activities are allowed, provided, however, they are used, stored or disposed of in a manner not detrimental to the Conservation values of the Property, including scenic views and water quality protection.

D. Mineral Use, Excavation, Dredging. There shall be no filling, excavation, dredging, mining or drilling; no removal of topsoil, sand, gravel, rock, peat, minerals or other materials; and no change in the topography of the land in any manner except as necessary for the purpose of combating erosion or flooding and as reasonably necessary for any permitted maintenance, construction, environmental restoration, or reconstruction on the Property. Hereafter, the minerals of the Property cannot be severed from the fee simple title.

E. Construction. No new building, facility, or means of access shall be constructed or placed on the Property after the date of this Conservation Easement.

F. Subdivision. The partition, division or subdivision of the Property, by physical or legal process, is prohibited. The two (2) tax parcels which make up the Property (Parcel 7751050286, Parcel 7751046696) may not be separately owned or conveyed, and shall be forever treated as one parcel under the terms of this Easement and subject to the prohibition on partition, division or subdivision. This does not preclude sale of undivided interests in the Property; however, all co-owners are subject to the prohibition on subdivision in this Easement. The right to have the Property, or any portion of it, partitioned in kind is waived; the only relief available in a partition action shall be the sale of the co-owned Property, subject to the terms of this Easement, and division of the proceeds.

G. Utilities. All new utilities shall, unless prohibited by the appropriate utility, be installed underground except for antennas, satellite dishes and other similar utilities. There shall be no new above-ground cellular towers or other transmission towers allowed on the Property.

H. Inconsistent Use. There may be no use or activity on the Property that, while consistent with one of the Purposes of this Conservation Easement, would permit

destruction or impairment of other significant conservation or historic preservation interests. An inconsistent use that is destructive of other conservation interests is permitted only if such use, in the opinion of the Grantee, is necessary for the protection of the Purposes of this Conservation Easement.

I. Development Rights. Grantor(s) conveys to Grantee all developmental rights that are now or hereafter allocated to, implied, reserved or inherent in the Property, and the parties agree that such rights have been permanently removed, and may not be used on or transferred to any portion of the Property, as it now or hereafter may be bounded or described, or to any other property adjacent or otherwise, nor used for the purpose of calculating permissible lot yield of the Property or any other property.

J. Industrial and Commercial Use. Any commercial or industrial activity is prohibited except (1) environmental education activities, and (2) hunting, fishing, hiking and horseback riding, or similar passive recreational access to and uses of the Property.

K. Surface Alteration. Any alteration of the surface of the land, including without limitation the excavation or removal of soil, sand, gravel, rock or sod except (i) for the purposes of combating erosion, or (ii) incidental to conservation management activities otherwise permitted in this Conservation Easement.

L. Motorized Vehicles. Motorized vehicles, including without limitation recreational off-road vehicles, are prohibited on the Property, except as they are used for (i) management, maintenance, or stewardship purposes, or (ii) for the personal mobility of an individual unable to traverse the Property on foot.

M. Hazardous Substances. The storage, dumping, or other disposal of toxic and/or hazardous materials or non-compostable refuse, except for the above ground storage and use of fuels, fertilizers, treated lumber, and legal chemicals as necessary for agricultural or other operations permitted by this Conservation Easement. All materials shall be stored in accordance with all applicable laws and regulations, and in a manner which (i) prevents spillage, leakage, and dumping, (ii) prevents soil and surface water or groundwater contamination, and (iii) is otherwise consistent with the preservation of the Conservation Values of the Property. Notwithstanding anything in this Conservation Easement to the contrary, this prohibition does not make Grantee an owner of the Property, nor does it permit Grantee to control any use of the Property by Grantors which may result in the storage, dumping, or disposal of hazardous or toxic materials; provided, however, that Grantee may bring an action to protect the Conservation Values of the Property, as described in this Conservation Easement. This prohibition does not impose liability on Grantee, nor shall Grantee be construed as having liability as a “responsible party” under the Comprehensive Environmental Response, Compensation, and Liability Act or similar federal or state statutes. The Grantor covenant and represents that, to the best of Grantors’ knowledge, no hazardous substance or toxic waste exists nor has been generated, treated, stored, used, disposed of, or deposited in or on the Property, and that, there are not now any underground storage tanks located on the Property and agree to indemnify and hold harmless the Grantee against any claims, liabilities, damages, losses and costs arising from any such event, occurrence or condition at any time, except as caused by Grantee, their agents or assigns.

N. Disturbance of Natural Features, Plants and Animals. The cutting, removal or harvesting of trees, including clearing land for cultivation or for pasture restoration, or commercial timber harvesting, is prohibited. The removal of sick, malformed, dead or dying trees to enhance the overall forest health is permitted.

The right is reserved to use prescribed burning anywhere on the property, including growing season burning, as a management tool to promote, wildlife habitat and ecosystem management, subject to all applicable local, state and federal statutes and regulations.

The right, but not the obligation, to control, manage or destroy exotic non-native species or invasive species of plants and animals that threaten the Conservation Values of the Property. Grantee will consult with Grantor(s) prior to implementing control activities.

Notwithstanding the above, Grantor(s) reserves the right to create and maintain firebreaks on the Property, as needed for fire protection.

O. Agricultural, Grazing and Horticultural Use. Agriculture, grazing, horticultural and animal husbandry operations and any rights of passage for such purposes are prohibited on the Easement Area.

ARTICLE VI. ENFORCEMENT, REMEDIES & CASUALTY LOSS

A. Upon any breach of the terms of this Conservation Easement by Grantor(s) or by a third party which comes to the attention of the Grantee, the Grantee shall notify the Grantor(s) in writing of such breach. Grantor(s) shall have ninety (90) days after receipt of such notice to begin undertaking actions that are reasonably calculated to correct promptly the conditions constituting such breach. If the breach remains uncured after ninety (90) days, the Grantee may enforce this Conservation Easement by appropriate legal proceedings including damages, injunctive and other relief including the right to require that the land be restored promptly to the condition required by this Conservation Easement.

If Grantee determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Property, the Grantee may pursue its remedies without prior notice to Grantor(s), but shall exercise reasonable efforts to notify Grantor(s).

All reasonable costs incurred by Grantee in enforcing the terms of this Conservation Easement against Grantor(s), including, without limitation, costs and expenses of suit and reasonable attorney's fees, and any costs of restoration necessitated by Grantor(s)'s violation of the terms of this Conservation Easement shall be borne by Grantor(s); provided, however, that if Grantor(s) ultimately prevails in a judicial enforcement then each party shall bear its own costs and attorney's fees.

B. No failure on the part of Grantee to enforce any covenant or provision hereof shall discharge or invalidate such covenant or any other covenant, condition, or provision hereof or affect the right of Grantee to enforce the same in the event of a subsequent breach or default.

C. Grantee, its employees and agents, and its successors and assigns, have the right, with reasonable advance notice, to enter the Property at reasonable times for the purpose of inspecting the Property to determine whether the Grantor(s), Grantor(s)'s representatives, heirs, successors or assigns are complying with the terms, conditions and restrictions of this Conservation Easement. Such monitoring and inspection does not include access to the interior of buildings and structures and shall be provided in writing.

D. Nothing contained in this Conservation Easement shall be construed to entitle Grantee to bring any action against Grantor(s) for any injury or change in the Property resulting from causes beyond the Grantor(s)'s control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken in

good faith by the Grantor(s) under emergency conditions to prevent, abate, or mitigate significant injury to life, damage to property or harm to the Property resulting from such causes.

ARTICLE VII. PUBLIC ACCESS

The granting of this Conservation Easement does not convey to the public the unencumbered right to enter the Property for any purpose whatsoever. However, the public has the right to view the Property from adjacent publicly accessible areas such as public roads and waterways.

ARTICLE VIII. EXHIBITS, DOCUMENTATION AND TITLE

A. Legal Description and Exhibits. Exhibit A, Legal Description, and Exhibit B, Map of Property, are attached hereto and made a part hereof by reference.

B. Title. The Grantor(s) covenants and represents that the Grantor(s) is the sole owner and is seized of the Property in fee simple and has good right to grant and convey the aforesaid Conservation Easement; that the Property is free and clear of any and all encumbrances, except easements of record and Grantor(s) covenants that the Grantee shall have the use of and enjoy all of the benefits derived from and arising out of the aforesaid Conservation Easement.

ARTICLE IX. MISCELLANEOUS

A. Transfer of Conservation Easement. The parties recognize and agree that the benefits of this Conservation Easement are in gross and assignable. The Grantee shall have the right to transfer or assign this Conservation Easement to any qualified organization that at the time of transfer is a “qualified organization” under Section 170(h) of the U.S. Internal Revenue Code, and the organization expressly agrees to assume the responsibility imposed on the Grantee by this Conservation Easement. If the Grantee ever ceases to exist or no longer qualifies under Section 170(h) or applicable state law, a court with jurisdiction shall transfer this Conservation Easement to another qualified organization having similar purposes that agrees to assume the responsibility.

B. Transfer of Property. Any time the Property, or any interest therein, is transferred by this Grantor to any third party, the Grantor shall notify the Grantee in writing at least thirty (30) days prior to the transfer of the Property, and the document of conveyance shall expressly refer to this Conservation Easement. Grantor agrees to incorporate by reference the terms of this Conservation Easement in any deed or other

legal instrument by which they transfer or divest themselves of any interests, including leasehold interests, in all or a portion of the Property. Failures of Grantor to comply with this Paragraph shall not impair the validity of this Conservation Easement as to successor owners or limit its enforceability in any way, nor shall Grantor's failure to comply with this Paragraph constitute a default under this Conservation Easement.

C. Termination of Conservation Easement. If it is then determined that conditions on or surrounding the Property have changed so much that it is impossible to fulfill the Conservation Purposes set forth above, a court with jurisdiction may, at the joint request of both the Grantor(s) and Grantee, terminate this Conservation Easement.

If condemnation of a part of this Property or of the entire Property by public authority renders it impossible to fulfill any of these Conservation Purposes, the Conservation Easement may be terminated through condemnation proceedings.

At the time of the conveyance of the Conservation Easement to the Grantee, this Conservation Easement gives rise to a real property right, immediately vested in the Grantee. If the Conservation Easement is terminated and the Property is sold or taken for public use, then, as required by Section 1.170A-14(g)(6) of the IRS regulations, the Grantee shall be entitled to a percentage of the gross sale proceeds or condemnation award (minus any amount attributed to new improvements made after the date of the conveyance, which amount shall be reserved to grantor), equal to the ratio of the appraised value of this Conservation Easement to the unrestricted fair market value of the Property, as these values are determined on the date of this Conservation Easement. That ratio shall remain constant. The Grantee shall use the proceeds consistently with the Conservation Purposes of this Conservation Easement.

D. Interpretation. This Conservation Easement shall be interpreted under the laws of the State of North Carolina, resolving any ambiguities and questions of the validity of specific provisions as to give maximum effect to its Conservation Purposes.

E. Conservation Purpose.

(1). Grantee, for itself, its successors and assigns, agrees that this Conservation Easement shall be held exclusively for Conservation Purposes, as defined in § 170(h)(4)(A) of the Code.

(2). Whenever all or part of the Property is taken in exercise of eminent domain by public, corporate, or other authority so as to abrogate the restrictions imposed by this Conservation Easement, the Grantor(s) and the Grantee shall join in appropriate actions at the time of such taking to recover the full value of the taking and all incidental or direct damages resulting from the taking, which proceeds shall be divided in accordance with the proportionate value of the Grantee's and Grantor(s)'s interests as specified above; all expenses including attorney fees incurred by the Grantor(s) and the Grantee in this action shall be

paid out of the recovered proceeds to the extent not paid by the condemning authority.

(3). The Grantor(s) and Grantee agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interests in the Property.

F. Third Party Activities. The Grantor(s) shall ensure that all third parties who are conducting activities relating to permitted uses of the Property are fully and properly informed as to the restrictions and covenants contained within this Conservation Easement which relate to such uses, including without limitation, the provisions of this Paragraph and of Articles IV and V.

G. Arbitration. In the event there is a disagreement between the Grantor(s) and the Grantee as to whether or not:

(1). an activity or use is prohibited under Article V or permitted under Article IV; or

(2). the Grantee has acted unreasonably in the exercise of any discretionary power granted to the Grantee, such as not approving certain requests made by the Grantor(s)

(Such disagreements as are described in Paragraph E above, hereinafter referred to as "Arbitration Issues"); then, the Grantor(s) and Grantee will attempt amicable resolution of the Arbitration Issues. In the event that amicable resolution is not reached within sixty (60) days of notice of such dispute, by one party to the other, the Arbitration Issue shall be resolved by a committee made up of three individuals who have reasonable experience with conservation easements and land uses of similar properties. One individual shall be selected by the Grantee, one individual shall be selected by the Grantor(s), and the other individual shall be selected by the two individuals. Determination of the committee shall be binding upon the Grantor(s) and the Grantee. Only Arbitration Issues shall be subject to the North Carolina Uniform Arbitration Act. In the event that a dispute includes issues in addition to an Arbitration Issue, the matter shall not be subject to arbitration.

H. Costs, Liabilities, and Taxes. Grantor(s) and the successors in title to the Grantor(s) retain all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property, including, but not limited to, the maintenance of general liability insurance coverage.

Each party agrees to release, hold harmless, defend and indemnify the other from any and all liabilities including, but not limited to, injury, losses, damages, judgments,

costs, expenses and fees that the indemnified party may suffer or incur as a result of or arising out of the activities of the indemnifying party on the Property.

I. Construction of Terms. This Conservation Easement shall be construed to promote the purposes of the North Carolina enabling statute set forth in N.C.G.S. 121-34, which authorizes the creation of Conservation Easements for purposes including those set forth in the recitals herein, and the Conservation Purposes of this Conservation Easement, including such purposes as are defined in § 170(h)(4)(A) of the Code.

J. Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings or agreements relating to the Conservation Easement. If any provision is found to be invalid, the remainder of the provisions of this Conservation Easement, and the application of such provision to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

K. Recording. Grantee shall record this instrument and any amendment hereto in timely fashion in the official records of Randolph County, North Carolina, and may re-record it at any time as may be required to preserve its rights under this Conservation Easement.

L. Notices. Any notices shall be sent by registered or certified mail, return receipt requested, addressed to the parties as set forth above, or to such other addresses such party may establish in writing to the other.

In any case where the terms of this Conservation Easement require the consent of any party, such consent shall be requested by written notice. Such consent shall be deemed to have been given unless, within thirty (30) days after receipt of notice, a written notice of disapproval and the reason therefore has been mailed to the party requesting consent.

M. Amendment of Conservation Easement. Grantor(s) and Grantee are free to jointly amend this Conservation Easement to meet changing conditions, provided that no amendment will be allowed that (1) will affect the qualification of this easement under N.C.G.S. 121-34 et seq., or under § 170(h) of the Code or any successor thereto; (2) is inconsistent with the purposes of this Conservation Easement; or (3) affects the perpetual duration of this Conservation Easement. Such amendment(s) shall be effective upon recording in the public records of Randolph County, North Carolina.

N. Singular, Plural; Gender Whenever used in this Conservation Easement, nouns in the singular shall include the plural, and the masculine pronoun shall include the feminine gender.

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

P. Termination of Rights and Obligations. A party's rights and obligations under this 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 this Conservation Easement shall not be affected by such transfer, the transferee having the rights and obligations of the transferring party.

Q. 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.

R. 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.

TO HAVE AND TO HOLD unto THREE RIVERS LAND TRUST, INC., its successors and assigns, forever. The covenants agreed to and the terms, conditions, restrictions and purposes imposed as aforesaid shall be binding upon Grantor(s), Grantor(s)'s personal representatives, heirs, successors and assigns, and shall continue as a servitude running in perpetuity with the Property.

IN WITNESS WHEREOF, Grantor(s) hereto has set Grantor(s)'s hands and seals and Grantee by authority duly given, has hereunto caused these presents to be executed by its President and its corporate seal affixed, as of the dates shown below, to be effective upon the date of recordation in the public records of Randolph County, North Carolina.

GRANTOR:

_____ (Seal) _____
GRANTOR'S NAME Date

Accepted:

GRANTEE:

THREE RIVERS LAND TRUST, INC.
a North Carolina Non-profit Corporation

By: _____
Date

Acknowledgments

NORTH CAROLINA
_____ COUNTY

I, _____, a Notary Public of _____
County, North Carolina do hereby certify that GRANTOR'S NAME personally appeared
before me and acknowledged the due execution of the foregoing instrument.

Witness my hand and notarial seal this the ____ day of _____, 202_.

Notary Public (SEAL)
My commission expires: _____

STATE OF NORTH CAROLINA

COUNTY OF _____

I, _____, a Notary Public of said State and County,
certify that _____ personally came before me this day and
acknowledged that (s)he is _____ President of THREE RIVERS LAND TRUST,
INC. and that as _____ President, being authorized to do so, executed the foregoing on
behalf of the corporation.

Witness my hand and official seal, this the ____ day of _____, 202_.

Notary Public _____ (SEAL)
My commission expires: _____

EXHIBIT "A"
PROPERTY DESCRIPTION

All that certain lot or parcel of land situated in the Township of Asheboro, County of Randolph, State of North Carolina, and more particularly described as follows:

Tract 1 (Parcel 7751050286):

Being all of Lot 3A, containing 12.080 acres, and all of Lot 3B, containing 17. 780 acres, as shown on plat recorded in Plat Book 157, Page 10 Randolph County Registry, incorporated herein by reference, subject to restrictions on deed recorded in Book 2536, Page 1074. This being the same Tract 3 as conveyed in Deed Book 2536, Page 1074.

The foregoing property description was obtained from the Randolph County Register of Deeds at Book 2536, Pages 1074.

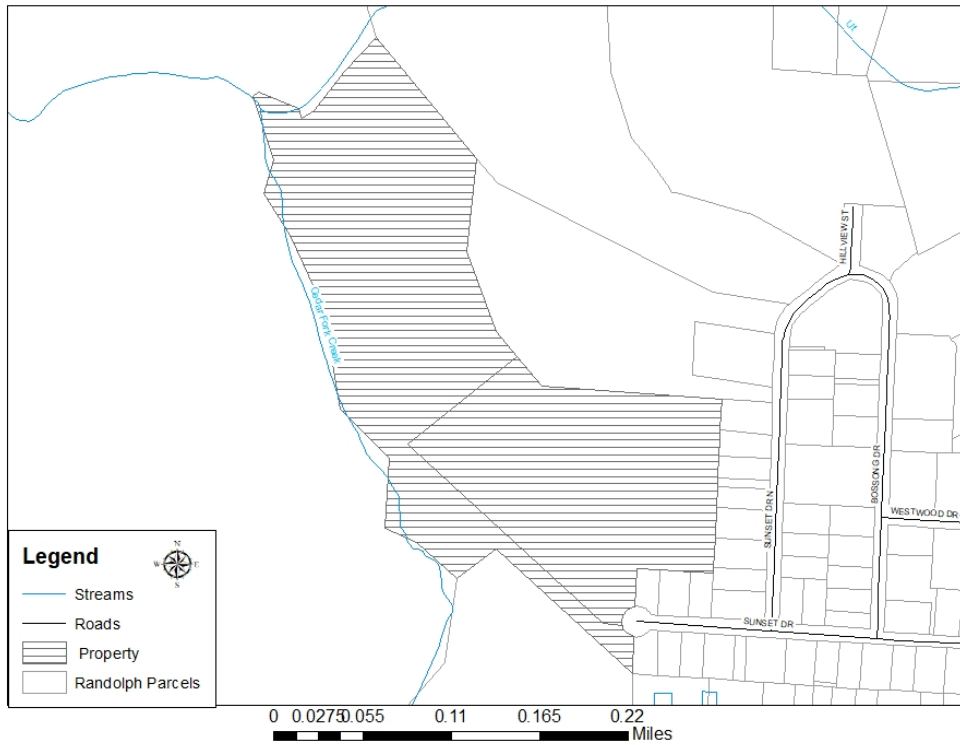
Tract 2 (Parcel 7751046696):

Being all of Lot 3A, containing 12.080 acres, and all of Lot 3B, containing 17. 780 acres, as shown on plat recorded in Plat Book 157, Page 10 Randolph County Registry, incorporated herein by reference, subject to restrictions on deed recorded in Book 2536, Page 1074. This being the same Tract 3 as conveyed in Deed Book 2536, Page 1074.

The foregoing property description was obtained from the Randolph County Register of Deeds at Book 2536, Pages 1074.

EXHIBIT "B"
MAP OF PROPERTY

Exhibit B- Map of Property



THIS MAP MAY NOT BE A CERTIFIED SURVEY AND HAS NOT BEEN REVIEWED BY A LOCAL GOVERNMENT AGENCY FOR COMPLIANCE WITH ANY APPLICABLE LAND DEVELOPMENT REGULATIONS AND HAS NOT BEEN REVIEWED FOR COMPLIANCE WITH RECORDING REQUIREMENTS FOR PLATS