

attached hereto and made a part hereof, and as shown on that certain plat entitled in part, "Survey For Conservation Easement N. C. Coastal Land Trust Rayburn Tract," dated August 30, 2001, prepared by Mark D. Pruden of Albemarle Land Surveying, recorded in Plat Cabinet 2, Slide 95, Map No. 5 Perquimans County Registry, (hereinafter "Plat") and by this reference incorporated herein (hereinafter "Property").

- B. Grantee is a nonprofit corporation whose purposes include the conservation and protection of significant natural areas, wildlife habitat, scenic resources and open lands for aesthetic, scientific, charitable and educational purposes.
- C. The Property consists of primarily productive agricultural land. The majority of the soils on the Property have been classified as prime soils of statewide importance by the Natural Resources Conservation Service, U.S. Department of Agriculture. It is the primary purpose of this Easement to protect the agricultural viability and productivity of this Property.
- D. Grantor and Grantee further recognize that the Property in its present state has additional conservation value as wildlife habitat and open space of importance to the Grantor and the people of Perquimans County. It is a secondary purpose of this Conservation Easement to protect these natural habitats and open space resources.
- E. The agricultural, natural habitats and open space resources of the Property are collectively referred to as the "conservation values" of the Property.

The protection of these conservation values will yield significant public benefits, as evidenced by:

- (1) the Uniform Conservation and Historic Preservation Agreements Act, N.C.G.S. §121-34 et seq., which provide 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;" and which 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";
- (2) North Carolina General Statute § 139-2 et seq., which provide that "it is hereby declared. . .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. . .it is hereby declared to be the policy of the legislature to provide for the conservation of the soil and resources of this State;"
- (3) North Carolina General Statute §106-583 et seq., which state that "[i]t is declared to be the policy of the State of North Carolina to promote the efficient production and utilization of the products of the soil as essential to the health and welfare of our people and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum prosperity;"
- (4) the Farmland Protection Policy Act, P.L. 97-98, 7 U.S.C. Section 4201, et seq., the purpose of which is "to minimize the extent to which Federal programs and policies contribute to the unnecessary and irreversible conversion of farmland to nonagricultural uses, and to assure that Federal programs are administered in a manner that, to the extent practicable, will be compatible with State, unit of local government and private programs and policies to protect farmland;"

- (5) the establishment of the N.C. Farmland Preservation Trust Fund established in 1986 (N.C.G.S. §106-744(c)) to preserve important farmland in North Carolina, and a Farmland Preservation Trust Fund grant has been received by the Grantee for the purchase of an easement on the Property;
  - (6) the "Million Acres Initiative," enacted in June 2000, in N.C.G.S. §113A-240, which provides that the State of North Carolina shall encourage, facilitate, plan, coordinate, and support appropriate federal, state, local, and private land protection efforts so that an additional one million acres of farmland, open space and conservation lands are permanently protected by December 31, 2009;
  - (7) the special North Carolina Conservation Tax Credit Program that encourages contributions of land that provides habitat for fish and wildlife and other similar land conservation purposes set forth in N.C.G.S. §105-130.34 and §105-151.12 et seq.; and
  - (8) the special use assessment of farm and forest land as set forth in N.C.G.S. §105-277.2 et. seq.
- F. Grantor and Grantee have the common purposes of preserving the above-described conservation values, natural habitats, and open condition of the Property.
- G. Grantee is a tax exempt public charity under §501(c)(3) and §509(a)(2) of the Internal Revenue Code, is authorized by the laws of the state of North Carolina to accept, hold and administer conservation easements, possesses the authority to accept and is willing to accept this FARMLAND 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 Internal Revenue Code and regulations promulgated thereunder.
- H. The conservation values of the Property, and its current use and state of improvement, are described in the Rayburn Farmland Easement Documentation Report, dated August 2001 ("Easement Documentation Report"), prepared by Grantee and acknowledged by the Grantor and Grantee to be complete and accurate as of the date hereof. Both the Grantor and Grantee have copies of this report. It 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 Farmland 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.
- I. The Grantor owns the entire fee simple interest in the Property, including the entire mineral estate.
- J. The Uniform Conservation and Historic Preservation Agreements Act, N.C.G.S. §121-34 et seq., provides for the enforceability of restrictions, easements, covenants or conditions appropriate to retaining land or water areas predominately in their natural or open condition or in agricultural, horticultural, farming or forest use.
- K. It is the primary purpose of this FARMLAND Conservation Easement to enable the Property to remain in agricultural use by preserving and protecting its agricultural soils and agricultural

viability and productivity. No activity that significantly impairs the actual or potential agricultural use of the Property shall be permitted. To the extent that the preservation and protection of the natural and scenic values referenced in this Easement are consistent with the primary purpose stated above, it is within the purpose of this Easement to also protect those values, and no activity that significantly impairs those values shall be permitted on the Property.

#### AGREEMENT

NOW, THEREFORE in consideration of the premises and the mutual benefits recited herein, together with Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor hereby unconditionally and irrevocably grants and conveys forever and in perpetuity to the Grantee, its successors and assigns, and the Grantee hereby accepts a grant of an FARMLAND Conservation Easement of the nature and character and to the extent hereinafter set forth in, over, through and across the Property, together with the right to preserve and protect the conservation values thereof as described in the Recitals herein ("Conservation Easement" or "Easement"), and together with a 60 foot wide non-exclusive perpetual easement and right of access, ingress, egress and regress to, from and over a private lane or road designated as Rayburn Lane and/or "Private Road", which traverses the Property as shown on the aforesaid plat prepared by Mark D. Pruden, dated August 30, 2001; subject, however, to a reservation by the Grantor of and the rights of others in and to said non-exclusive perpetual appurtenant easement as is specifically described hereinafter and as shown on the aforesaid plat prepared by Mark D. Pruden dated August 30, 2001, and subject also to the right of Grantor or its successors in interest to construct, install, maintain and repair utilities along and within the aforesaid 60 foot right-of-way and easement.

#### ARTICLE I. DURATION OF EASEMENT

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

#### ARTICLE II. PROHIBITED, RESTRICTED AND RESERVED ACTIVITIES

The Property shall be maintained in its natural and open condition and restricted from any development that would significantly impair or interfere with the conservation values of the Property as set forth in paragraphs C, D, and E of the Recitals hereinabove.

Any activity on or use of the Property inconsistent with the purposes of this Conservation Easement is prohibited; provided, however, all rights reserved by Grantor are considered to be consistent with the conservation purposes of this Conservation Easement and require no prior notification to or approval by Grantee unless expressly provided hereunder. Notwithstanding the foregoing, the Grantor and Grantee

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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 Section 170(h) of the Internal Revenue Code, or any regulations promulgated thereunder.

Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited, restricted or reserved as the case may be:

A. Industrial and Commercial Use. Industrial and commercial activities and any right of passage for such purposes are prohibited except for agricultural use, timber harvesting and hunting as described in Article II, Sections B, C and F, respectively.

B. Agricultural Use. Agricultural uses and operations, including row crop farming, horticulture, grazing, animal husbandry and agricultural plantings for wildlife are allowed provided that same are conducted in a manner not inconsistent with this Conservation Easement and provided further that:

- (1) under no circumstances shall there be industrial or factory type agricultural or livestock operation, intensive livestock operations or animal husbandry characterized by the continuous confinement of livestock in tightly confined environments for the purpose of raising, feeding, and fattening for market; nor shall any slaughtering facilities be allowed;
- (2) all such use shall be in accordance with Best Management Practices of the State of North Carolina and applicable federal, state and local laws;
- (3) no aquaculture is allowed;
- (4) all farming operations shall be conducted in a manner consistent with a farm conservation plan prepared by the U.S. Department of Agriculture, Natural Resources Conservation Service, or its successor, or by another qualified conservation professional approved by the Grantee. This plan shall be updated periodically, and in any event at the time the basic type of agricultural operation on the Property changes or at the time ownership of the Property changes;
- (5) land application of domestic septic effluent and/or municipal, commercial or industrial sewage sludge or liquid generated from such sources is prohibited;
- (6) no paddock, barn, stable, fenced pasture, or other enclosures for animals may be located within one hundred feet (100') of the shore of any creek or water body.

C. Forest Management. Silvicultural use of the Property, including but not limited to timber thinning and harvesting, pine straw raking, prescribed burning, clearing for wildlife habitat and new or expanded agricultural fields, constructing fire breaks and reforestation is allowed, provided, however, that any timber harvesting and management shall be subject to the following:

- (1) all such activities shall be in accordance with best management practices, guidelines for the timber industry as the same may be promulgated by law or regulation in the State of North Carolina and amended from time to time;
- (2) no timber harvesting shall be allowed within 100 feet of the shore of Yeopim Creek and to the top of the ridge of Barrows Creek. to protect water quality in these systems;

- (3) No heavy logging equipment is allowed in any wetland areas outside of the riparian buffer noted in C(2) above;
- (4) regeneration may be achieved through natural or artificial means; and
- (5) the restrictions set forth in subparagraphs (1) and (2) of this Section shall not apply in areas where forest is damaged by ice, fire, storm, wind, insects, infectious organisms, or other natural disasters subject to the Grantee's approval, which shall not be unreasonably withheld.

In addition, Grantor has the option of entering into a more detailed, written Forest Management Plan prepared by a registered forester or other qualified biologist selected by the Grantor, such plan to be consistent with the terms of this conservation easement, in which case timber harvesting and management may be further subject to the Forest Management Plan.

D. Improvements, New Construction and Access Thereto. The Grantor's rights to construct or reconstruct buildings and other improvements are described in subparagraphs (1) through (7) below. Any construction or reconstruction not permitted below, or not previously approved by Grantee, is prohibited. Before undertaking any construction or reconstruction that requires advance permission, the Grantor shall notify the Grantee and obtain written permission.

- (1) *Fences* – Existing fences may be repaired and replaced, and new fences may be built on the Property for purposes of reasonable and customary management of livestock and other purposes, without any further permission of the Grantee.
- (2) *Agricultural Structures and Improvements* – Existing agricultural structures and improvements may be repaired, reasonably enlarged and replaced at their current locations as noted in the Easement Documentation Report without further permission from the Grantee. New buildings and other structures and improvements to be used primarily for agricultural purposes, not including any farm labor housing, may be built on the Property, without any further permission of the Grantee.
- (3) *Access* – All existing roads, and the 60-foot private road or right-of-way shown on the aforesaid survey plat prepared by Mark D. Pruden dated August 30, 2001, reserved by the Grantor herein, may be maintained or repaired without further permission from the Grantee. The 60 foot right-of-way shown on the aforesaid survey plat may be paved. Said land may be paved to state standards and may at some time in the future be turned over to the State of North Carolina. Said road may be used as public access to Grantor's remaining property if Grantor or Grantor's successors or assigns develop or subdivide Grantor's remaining property. Any new roads or reasonable means of access to all permitted structures and uses is allowed with advance written notice from Grantee. No new road or right of way (except for the 60-foot private road or right-of-way referenced above) may be wider than 20 feet and construction of new roads shall be limited to permeable materials.

(4) *Utility Services and Septic Systems and Telecommunications* – Installation, maintenance, repair, replacement, removal and relocation of electric, gas, and water facilities, sewer lines and/or other public or private utilities, including telephone or other communication services over or under the Property for the purpose of providing electrical, gas, water, sewer, or other utilities to serve the agricultural buildings permitted herein, and the right to grant Easements over and under the Property for such purposes is permitted. Maintenance, repair or improvement of a septic system(s) or other underground sanitary system which exists on the Property at the time of this Easement, or the construction of a septic or other underground sanitary system, for the benefit of any of the permitted improvements herein, is permitted without further permission from the Grantee. No satellite, cell or radio or other telecommunications tower may be constructed on the Property.

E. Signage. Display to the public of billboards, signs or advertisements is prohibited on or over the Property, except the posting of no trespassing signs, hunt club signs, for sale signs, signs identifying the conservation values of the Property and/or identify the Grantor as owners of the Property.

F. Dumping. Dumping of trash, garbage waste, abandoned vehicles, appliances or machinery or other material on the Property is prohibited. Composting of biodegradable material or use of such materials to improve gardens, pastures, etc. is allowed. Manure, natural bedding and other grown materials may be spread on the Property.

G. Mineral Use, Excavation, Dredging and Water Quality. There shall be no filling, excavation, dredging, mining or drilling; no removal of topsoil, sand, gravel, rock, peat, minerals or other materials, no change in the topography of the land in any manner and no other alteration of natural drainage patterns nor activities that would result in impairment to water quality or wetlands on the Property, except (a) for the purpose of combating erosion or flooding; (b) for construction and maintenance of existing or permitted structures, roads, and activities permitted hereunder, (c) for maintenance of existing drainage ditches and water control structures; (d) for construction, repair and maintenance of new drainage ditches incident to agricultural uses permitted herein, subject, however to all federal, state and local laws and regulations and provided that no such activities are allowed to drain directly into Yeopim and/or Barrows Creeks; and (e) for historic and archaeological research and excavation of any historically important land area; provided there shall be no excavation for archaeological or historical purposes if such excavation may significantly impair or interfere with the conservation values of the Property as set forth in the Recitals hereinabove.

H. Hunting, Wildlife Enhancement, and Other Passive Recreational Activities. Hunting, wildlife enhancement, horseback riding and other similar passive recreational activities by Grantor and its invitees, licensees and lessees subject to all federal, state and local laws and regulations are allowed. Commercial trapping is prohibited; however, trapping for wildlife management or for other management purpose is allowed. Existing agricultural fields may be used or converted to wildlife food plots.

- I. Conveyance and Subdivision. The Property may not be divided, partitioned, or subdivided, nor conveyed except in its current configuration as an entity.
- J. Development Rights. No development rights which have been encumbered or extinguished by this Conservation Easement shall be transferred to any other lands pursuant to a transferable development rights scheme or cluster development arrangement or otherwise.
- K. Quiet Enjoyment. Grantor reserves unto itself and its successors and assigns, all rights accruing from their ownership of the Property, including (i) the right to engage in or permit or invite others to engage in all uses of the Property as exist on the date of this grant that are not expressly prohibited or restricted herein and do not significantly impair or interfere with the conservation values of the Property as set forth in the Recitals hereinabove and (ii) the right to sell, give or otherwise convey the Property. Without limiting the generality of the foregoing, Grantor expressly reserve for themselves, their successors and assigns, invitees and licensees the right to quiet enjoyment of the Property.
- L. Reservation of Access Easement and Right to Install Utilities Along Access Easement. Grantor reserves unto itself and its successors and assigns a non-exclusive perpetual appurtenant easement for access, ingress, egress and regress to, from and over a private lane or road designated as Rayburn Lane and/or "Private Road" which traverses the Property as shown on the aforesaid plat prepared by Mark D. Pruden dated August 30, 2001. Grantor reserves the right to pave the road to state standards and to turn over the road to the State of North Carolina. Said road may be used as public access to Grantor's remaining property if Grantor or Grantor's successors or assigns develop or subdivide Grantor's remaining property. Grantor also reserves unto itself and its successors in interest the right to install, construct, maintain and repair utilities along and within the aforesaid 60 foot right-of-way and easement.

### ARTICLE III. ENFORCEMENT AND REMEDIES

- A. Upon any breach of the terms of this Conservation Easement by Grantor or by a third party, which comes to the attention of the Grantee, the Grantee shall notify the Grantor in writing of such breach. The Grantor shall have ninety (90) days after receipt of such notice to undertake 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:
- (1) Institute suits to enjoin any breach or enforce any covenant by ex parte, temporary, and/or permanent injunction either prohibitive or mandatory; and/or

- (2) Require that the Property be restored promptly to the condition required by this Conservation Easement.
- B. Grantee's remedies shall be cumulative and shall be in addition to any other rights and remedies available to Grantee at law or equity. If Grantee, in its sole discretion, 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, but shall exercise reasonable efforts to notify Grantor.
- C. Any cost incurred by Grantee in enforcing the terms of this Conservation Easement against Grantor, including, without limitation, costs of suits and attorney's fees, and any costs of restoration necessitated by Grantor's acts or omissions in violation of the terms of this Conservation Easement, shall be borne by Grantor to the extent Grantor is judicially determined to have failed to comply with the provisions of this Conservation Easement.
- D. 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 to Grantee to enforce the same in the event of a subsequent breach or default.
- E. If a dispute arises between the parties concerning the consistency of any proposed use or activity with the purpose or terms of this Conservation Easement that they cannot resolve through unassisted consultation between themselves, and Grantor agree not to proceed with, or shall discontinue, the use or activity pending resolution of the dispute, either party may refer the dispute to mediation by request made in writing upon the other. Within ten (10) days of the receipt of such a request, the parties shall select a single trained and impartial mediator. If the parties are unable to agree on the selection of a single mediator, then the parties within fifteen (15) days of receipt of the initial request, jointly apply to a property court for the appointment of a trained and impartial mediator. Mediation shall then proceed in accordance with the following guidelines:
- (1) Purpose. The purpose of the mediation is to (i) promote discussion between the parties; (ii) assist the parties to develop and exchange pertinent information concerning the issues in dispute; and (iii) assist the parties to develop proposals that enable them to arrive at a mutually acceptable resolution of the controversy. The mediation is not intended to result in any express or de facto modification or amendment of the terms, conditions or restrictions of this Conservation Easement.
  - (2) Participation. The mediator may meet with the parties and their counsel jointly or ex parte. The parties agree that they will participate in the mediation process in good faith and expeditiously, attending all session scheduled by the mediator. Representatives of both parties with settlement authority will attend mediation session as requested by the mediator.
  - (3) Confidentiality. All information presented to the mediator shall be deemed confidential and shall be disclosed by the mediator only with the consent of the parties or their respective counsel. The mediator shall not be subject to subpoena by any party. No statements made or



documents prepared for mediations sessions shall be disclosed in any subsequent proceeding or construed as an admission of a party.

(4) Time Period. Neither party shall be obligated to continue the mediation process beyond a period of ninety (90) days from the date of receipt of the initial request or if the mediator concludes that there is no reasonable likelihood that continuing mediation will result in a mutually agreeable resolution of the dispute.

(5) Costs. The cost of the mediator shall be borne equally by Grantor and Grantee; the parties shall bear their own expenses, including attorney's fee, individually.

F. Grantee, its employees and agents and its successors and assigns, have the right, with reasonable notice, to enter the Property at least once a year (or at any time the Grantee has evidence of a violation and shares such evidence with Grantor) for the purpose of inspecting the Property to determine whether the Grantor, their successors or assigns are complying with the terms, conditions and restrictions of this Conservation Easement.

G. Nothing contained in this Conservation Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury or change in the Property resulting from causes beyond the Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken in good faith by the Grantor under emergency conditions to prevent, abate, or mitigate significant injury to life, damage to property or harm to the Property resulting from such causes, nor to require Grantor to repair any damage resulting from acts of God.

#### ARTICLE IV. PUBLIC ACCESS

The granting of this Conservation Easement does not convey to the public the right to enter the Property for any purpose whatsoever. The public can view the Property from Yeopim Creek.

#### ARTICLE V. DOCUMENTATION AND TITLE

A. Easement Documentation Report. The parties acknowledge that the Rayburn Farmland Easement Documentation Report ("Easement Documentation Report") dated August 2001, a copy of which is on file at the offices of the Grantee, accurately establishes the uses, structures, conservation values and condition of the Property as of the date hereof.

B. Title. The Grantor covenants and represents that the Grantor 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 there is legal access to the Property, that the Property is free and clear of any and all encumbrances, except easements of record or in effect by prescriptive right as of the date hereof and Grantor covenants that the Grantee shall have the use of and enjoy all of the benefits derived from

and arising out of this Conservation Easement, subject only to the reservation by the Grantor of the non-exclusive, perpetual, appurtenant easement and right of access, ingress, egress and regress to, from and over the private lane or road designated as Rayburn Lane and/or "Private Road", as shown on the aforesaid plat prepared by Mark D. Pruden dated August 30, 2001, and subject to the Grantor's right to install, construct, maintain and repair utilities along and within the said 60 foot right-of-way and easement.

ARTICLE VI. MISCELLANEOUS

A. Subsequent Transfers. Grantor agree for themselves, their successors and assigns, to notify Grantee in writing of the names and addresses of any party to whom the Property is to be transferred at or prior to the time said transfer is consummated. Grantor, for themselves, their successors and assigns, further agree to make specific reference to this Conservation Easement in any subsequent lease, deed or other instrument by which any interest in the Property is conveyed.

B. 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 Section 170(h)(4)(a) of the Internal Revenue Code.
- (2) If a change in conditions which makes impossible or impractical any continued protection of the Property for conservation purposes, the restrictions contained herein may only be extinguished by judicial proceeding. The Grantor agrees that the conveyance of this Conservation Easement gives rise to a property right, immediately vested in the Grantee, with a fair market value that is at least equal to the proportionate value that this Conservation Easement of the date hereof, bears to the value of the Property as a whole. For purposes of this paragraph, that proportionate value of Grantee's property rights shall remain constant. Accordingly, when a change in conditions gives rise to such extinguishment of this Conservation Easement, Grantee, on a subsequent sale, exchange, or involuntary conversion of the Property, must be entitled to a portion of the proceeds at least equal to that proportionate value of this Conservation Easement. If the Grantee receives any proceeds from a sale or exchange of the Property, the Grantee subsequent to such extinguishment or as a result of all or part of the Property being taken in exercise of eminent domain by public, corporate or other authority, shall use its share of the proceeds in a manner consistent with the conservation purposes set forth in the Recitals herein.
- (3) The Grantor and Grantee agree that the terms of this Conservation Easement shall survive any merger of the fee and easement interests in the Property.
- (4) The parties hereto recognize and agree that the benefits of this Conservation Easement are in gross and assignable to Conservation Trust for North Carolina, a nonprofit North Carolina corporation, or to another assignee; provided, however that the Grantee hereby covenants and

agrees, that in the event it transfers or assigns this Conservation Easement, the organization receiving the interest will be a qualified organization as that term is defined in Section 170(h)(3) of the Internal Revenue Code of 1986 (or any successor section) and the regulations promulgated thereunder, which is organized or operated primarily for one of the conservation purposes specified in Section 170(h)(4)(A), subparagraphs (i)(ii)(iii) of the Internal Revenue Code. The proposed transferee shall also be subject to the approval of the Grantor, which approval may not be unreasonably withheld. Grantee further covenants and agrees that the terms of the transfer or assignment will be such that the transferee or assignee will be bound by the terms of this Easement.

(5) The Grantor agrees to pay any real estate taxes or other assessments levied on the Property.

C. Construction of Terms. This Conservation Easement shall be construed to promote the purposes of the enabling statute set forth in N.C.G.S. section 121-34 et seq., the Conservation and Historic Preservation Agreements Act, 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 Sections 170(h)(4)(A) of the Internal Revenue Code.

D. 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.

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

F. Amendment. If circumstances arise under which an amendment to or modification of this Conservation Easement would be appropriate, Grantor and Grantee are free to jointly amend this Conservation Easement provided that (1) no amendment shall be allowed that will affect the qualification of this Conservation Easement as a qualified conservation contribution or the status of the Grantee under any applicable laws including Section 170(h) of the Internal Revenue Code, (2) no additional residences may be constructed on the Property except as provided in Section C of Article II hereinabove, (3) any amendment shall be consistent with the purposes of this Conservation Easement set forth in the Recitals herein, (4) any amendment shall not affect its perpetual duration and (5) any amendment shall be in writing, signed, sealed and acknowledged by both parties.

G. Hazardous Waste. The Grantor covenants and represents that, to the best of Grantor's 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.

H. Notices. Any notices shall be sent by registered or certified mail, return receipt requested, addressed to the parties as follows:

To Grantor:  
Rayburn Family Limited Partnership  
340 Rayburn Lane  
Hertford, North Carolina 27944

*with courtesy copy to:*  
Samuel B. Dixon  
117 W. Eden Street  
Edenton, NC 27932  
252/482-8696

To Grantee:  
North Carolina Coastal Land Trust  
3806-B Park Avenue  
Wilmington, North Carolina 28403

*with courtesy copy to:*  
Lee Lewis Leidy  
Hornthal, Riley, Ellis and Maland, L.L.P.  
301 E. Main Street  
P. O. Box 220  
Elizabeth City, North Carolina 27907-0220

Or to such other address(es) as either party may establish in writing to the other.

In any case where the terms of this Conservation Easement require the consent of either party, such consent shall be requested by written notice. Such consent shall be deemed to have been given within forty-five (45) days after the recipient receives or refuses notice, unless the party requesting consent has actually received or refused notice of disapproval.

**TO HAVE AND TO HOLD** unto North Carolina Coastal Land Trust, its successors and assigns, forever. The covenants agreed to and the terms, conditions, restrictions and purposes imposed as aforesaid shall be binding upon Grantor, their successors and assigns, and shall continue as a servitude running in perpetuity with the Property.

**IN WITNESS WHEREOF**, the Grantor, by authority duly given, has hereunto caused these presents to be executed in such form as to be binding and Grantee, by authority duly given, has caused these presents to be executed by its President in such form as to be binding, the day and year above written.

**GRANTOR: THE RAYBURN FAMILY LIMITED PARTNERSHIP**

BY: Walker H. Rayburn (SEAL)  
WALKER H. RAYBURN, JR., General Partner

BY: Marjorie L. Rayburn (SEAL)  
MARJORIE L. RAYBURN, General Partner

**GRANTEE: NORTH CAROLINA COASTAL LAND TRUST**

BY: J. Griffin Weld  
J. GRIFFIN WELD, President

NORTH CAROLINA  
PERQUIMANS COUNTY

I, a notary public of the County and State aforesaid, certify that Walker H. Rayburn, Jr. and Marjorie L. Rayburn, General Partners of The Rayburn Family Limited Partnership personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 7<sup>th</sup> day of MARCH, 2002.

My Commission Expires:

4/17/02

**SUSAN S. SMALL**  
**NOTARY PUBLIC**  
**CHOWAN COUNTY, N.C.**  
[Notary seal]

Susan S. Small  
Notary Public

NORTH CAROLINA  
NEW HANOVER COUNTY

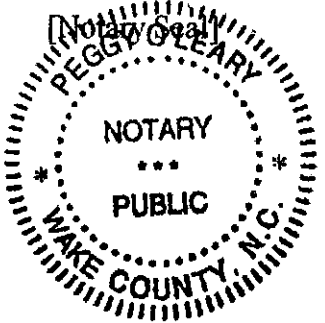
I, Peggy O'Leary Pa <sup>Wake Pa</sup>, a Notary Public of Wake County, and State aforesaid, certify that J. Griffin Weld, President of NORTH CAROLINA COASTAL LAND TRUST, a North Carolina non-profit corporation, personally came before me this day and acknowledged that he is President of NORTH CAROLINA COASTAL LAND TRUST, a North Carolina non-profit corporation, and that he as President, being authorized to do so, executed the foregoing on behalf of the Corporation.

Witness my hand and notarial seal this the 28<sup>th</sup> day of January, 2002.

My commission expires:

5/22/2005

Peggy O'Leary  
Notary Public



STATE OF NORTH CAROLINA  
PERQUIMANS COUNTY

The Foregoing (or annexed) Certificate(s) of Notaries Public SUSAN S. SMALL,  
Chowan County, NC and PEGGY O'LEARY, Wake County, NC

~~Notary(ies) Public(ies)~~ (are) Certified to be correct.

This instrument was filed for Registration on the Day and Hour in the Book and Page shown  
in the First page hereof.

DEBORAH S. REED

Perquimans County, Register of Deeds

By

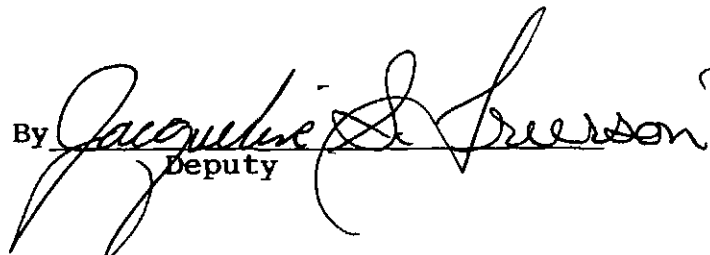
  
Deputy

EXHIBIT A TO  
RAYBURN FARMLAND CONSERVATION EASEMENT

All that certain tract or parcel of land, together with any improvements located thereon, situated in Bethel Township, Perquimans County, North Carolina, and being more particularly described as follows:

BEGINNING at a point situated in the southern margin of the right of way S. R. No. 1349, which point is located 1,350 feet, as measured along the southern margin of the right of way of S.R. No. 1349, from the intersection of the southern margin of the S. R. No. 1349 and the western margin of the right of way of S. R. No. 1347, and said point marking a southwest corner of property now or formerly owned by Bennett (for reference see Plat Cabinet 2, Slide 23-4 Perquimans County Registry) (subject however to the right of way of S.R. No. 1349); and said point also being located in a north line of property now or formerly owned by Gates (for reference see Deed Book 154, Pages 552 and 554 Perquimans County Registry) and in the centerline of a ditch; running thence from said BEGINNING POINT in a general northwesterly direction along a north line of the Gates property North  $82^{\circ} 23' 10''$  West 60.10 feet to a point; running thence from said point and continuing in a northwesterly direction along a north line of the Gates property North  $61^{\circ} 57' 10''$  West 71.10 feet to a point; running thence from said point and continuing in a general northwesterly line along the north line of the Gates property North  $51^{\circ} 38' 10''$  West 53.90 feet to a point; running thence from said point and continuing in a northwesterly direction along a north line of the Gates property North  $88^{\circ} 06' 10''$  West 28.90 feet to an iron pipe set marking the northwest corner of the Gates property; running thence from said iron pipe set in a general southeasterly direction along a west line of the Gates property South  $13^{\circ} 23' 10''$  East 898.60 feet to a existing iron rod (a control corner) situated in a north line of property now or formerly owned by Randolph (for reference see Plat Cabinet 2, Slide 13-1 Perquimans County Registry); running thence from existing iron rod in a general southwesterly direction along a north line of the Randolph property South  $75^{\circ} 00' 00''$  West 872.41 feet to an iron pipe set marking a northwest corner of the Randolph property and a northeast corner of other property now or formerly owned by Rayburn (for reference see Deed Book 203, Page 806 Perquimans County Registry); running thence from said iron pipe set in a general southwesterly direction along a north line of other property now or formerly owned by Rayburn South  $72^{\circ} 45' 05''$  West 631.41 feet to an iron rod set; running thence from said iron rod set in a general southeasterly direction along a west line of other property now or formerly owned by Rayburn South  $13^{\circ} 16' 55''$  East 377.80 feet to an iron rod set situated in the centerline of the end or terminus of a private road having a right of way width of 60 feet; running thence from said iron rod set in a southwesterly direction along a north line of other property now or formerly owned by Rayburn South  $71^{\circ} 02' 20''$  West 1,641.84 feet to a point marking the mean highwater mark on the eastern bank of Yeopim Creek; running thence from said point and following the meanderings of the mean highwater

mark along the eastern bank of Yeopim Creek the following courses and distances:

North 39° 09' 40" West 269.10 feet to a point; North 16° 10' 05" West 74.49 feet to a point; North 36° 14' 40" West 94.51 feet to a point; North 52° 50' 45" West 170.78 feet to a point; North 62° 28' 20" West 290.95 feet to a point; North 08° 57' 05" West 65.30 feet to a point; North 35° 50' 40" West 64.78 feet to a point; North 15° 31' 50" West 50.30 feet to a point; North 11° 51' 10" West 111.64 feet to a point; North 04° 28' 19" West 111.44 feet to a point; North 25° 15' 55" West 162.24 feet to a point; North 06° 41' 35" East 127.31 feet to a point; North 26° 15' 45" East 37.05 feet to a point; North 35° 37' 15" East 100.65 feet to a point; North 12° 30' 35" East 66.73 feet to a point; North 35° 35' 25" East 46.66 feet to a point; North 54° 43' 35" East 51.62 feet to a point; North 73° 41' 05" East 162.65 feet to a point; North 45° 01' 55" East 125.85 feet to a point; North 32° 19' 00" East 43.95 feet to a point; North 30° 13' 20" East 167.73 feet to a point; North 24° 29' 45" East 197.47 feet to a point situated at the mean highwater mark on the eastern bank of Barrows Creek; running thence from said point in a general northeasterly direction the following courses and distances along the mean highwater mark along the eastern bank of Barrows Creek:

North 87° 55' 15" East 57.65 feet to a point; South 77° 06' 20" East 225.64 feet to a point; South 83° 01' 45" East 68.39 feet to a point; North 76° 17' 20" East 60.23 feet to a point; North 61° 47' 40" East 42.98 feet to a point; North 41° 45' 20" East 96.90 feet to a point; North 42° 55' 45" East 80.25 feet to a point; North 79° 16' 40" East 43.01 feet to a point; North 59° 55' 05" East 35.89 feet to a point; North 29° 42' 15" East 41.23 feet to a point; North 27° 02' 30" East 41.76 feet to a point; North 46° 35' 45" East 40.15 feet to a point; North 84° 08' 35" East 15.62 feet to a point; North 14° 29' 15" East 55.82 feet to a point marking a southwest corner of property now or formerly owned by Union Camp (for reference see Plat Cabinet 2, Slide 41-2); running thence from said point in a general northeasterly direction along a south line of the Union Camp property and through a swamp North 69° 30' 00" East 200.00 feet to a 1 1/4" plastic pipe set; running thence from said plastic pipe set and continuing in a general northeasterly direction along a south line of the Union Camp property North 82° 30' 00" East 267.00 feet to a 1 1/4" plastic pipe set; running thence from said plastic pipe set in a general southeasterly direction along a south line of the Union Camp property and through a swamp South 84° 00' 00" East 739.00 feet to a 1 1/4" plastic pipe set; running thence from said plastic pipe set and continuing in a general southeasterly direction along a south line of the Union Camp property South 71° 40' 00" East 190.00 feet to a 1 1/4" plastic pipe set; running thence from said plastic pipe set in a general northeasterly direction along a south line of the Union Camp property North 78° 00' 00" East 180.00 feet to a 1 1/4" plastic pipe set; running thence from said plastic pipe set North 60° 20' 00" East 348.50 feet to a Black Gum (a control), which Black Gum is located South 28° 30' 05" West 907.98 feet from an existing iron pin (a control) situated in the Union Camp east line and in a west line of property now or formerly owned by Rayburn (for reference see Deed Book 203, Page 806 Perquimans County Registry); running thence from the aforesaid Black Gum in a general northeasterly direction along a south line of the remaining property owned by Rayburn



North  $83^{\circ} 07' 30''$  East 517.28 feet to an existing iron pin (a control) marking a northwest corner of property now or formerly owned by Bennett (for reference see Plat Cabinet 2, Slide 23-4 Perquimans County Registry); running thence from said existing iron pin and control in a general southwesterly direction along a west line of Bennett property South  $02^{\circ} 09' 00''$  West 367.64 feet to an iron pipe set; running thence from said iron pipe set and continuing in a general southeasterly direction along a west line of the Bennett property South  $14^{\circ} 12' 25''$  East 50.18 feet to the POINT AND PLACE OF BEGINNING, containing 130.00 acres more or less.

For a more particular description of the lands made subject to the Rayburn Farmland Conservation Easement, reference is made to that certain survey entitled in part, "Survey for Conservation Easement, N.C. Coastal Land Trust, Rayburn Tract, Rayburn Lane, Bethel Township, Perquimans County, North Carolina," dated May, 2001, signed August 30, 2001 by and prepared by Mark D. Pruden, Professional Land Surveyor, which survey or plat is recorded in Plat Cabinet 2, Slide 95 Map No. 5 of the Perquimans County Registry.

There is expressly reserved unto the Grantor and the conveyance is made subject to the rights of others in and to a non-exclusive perpetual appurtenant easement and right of access, ingress, egress and regress to, from and over a private lane or road designated as Rayburn Lane and/or "Private Road" on the aforesaid plat entitled in part, "Survey For Conservation Easement N.C. Coastal Lane Trust Rayburn Tract, Rayburn Lane, Bethel Township, Perquimans County, North Carolina," dated August 30, 2001, and prepared by Mark D. Pruden, Professional Land Surveyor and described on said plat (reference to which is hereby made for a more particular description of said easement and right of access), the centerline of which is described as follows: BEGINNING at a point, which point is located the following courses and distances from the intersection of the southern margin of the right-of-way of S. R. No. 1349 and the western margin of the right-of-way of S.R. No. 1347: South  $20^{\circ} 52' 30''$  East 28.48 feet to a point; South  $88^{\circ} 06' 10''$  East 28.90 feet to a point; South  $51^{\circ} 38' 10''$  East 53.9 feet to a point; South  $61^{\circ} 57' 10''$  East 71.10 feet to a point; South  $82^{\circ} 23' 10''$  East 60.10 feet to a point which is located 1,350 feet (as measured along the southern margin of the right-of-way of S.R. No. 1349 to the intersection of the southern margin of the right-of-way of S.R. No. 1349 and the western margin of S.R. No. 1347);

Running thence from the aforesaid BEGINNING POINT the following courses and distances along the centerline of S.R. No. 1349 and the centerline of the said non-exclusive easement along Rayburn Lane and/or a private road as follows: South  $57^{\circ} 25' 35''$  West 119.22 feet to a point; South  $71^{\circ} 01' 20''$  West 446.90 feet to a point; South  $75^{\circ} 28' 30''$  West 414.61 feet to a point marking the western terminus of S.R. No. 1349 and the start of the centerline of a private road having a 60 foot right of way; running thence from said point and continuing along the centerline of the aforesaid private road and 60 foot easement reserved unto the grantor herein the following courses and distances: South  $67^{\circ} 51' 20''$  West 235.22 feet to a point; South  $57^{\circ} 51' 40''$  West 117.84 feet to a point; South  $55^{\circ} 15' 15''$  West 149.74 feet to a point; South  $21^{\circ} 15' 40''$  West 71.63 feet to a point; South  $13^{\circ} 16' 55''$  East 715.79 feet to an iron rod set; running thence from

the aforesaid iron rod set and continuing along the centerline of the aforesaid 60 foot right of way

of private road South  $13^{\circ} 16' 55''$  East 377.80 feet to the end of the 60 foot right of way or the aforesaid private road.

For a more particular description of the non-exclusive perpetual easement reserved herein by the Grantor, reference is made to the aforesaid survey entitled in part, "Survey For Conservation Easement N.C. Coastal Land Trust, Rayburn Tract, Rayburn Lane, Bethel Township, Perquimans County, North Carolina," dated May, 2001, signed August 30, 2001 by and prepared by Mark D. Pruden, Professional Land Surveyor, and recorded in Plat Cabinet 2, Slide 95 Map No. 5 of the Perquimans County Registry.

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