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**RAYBURN AGRICULTURAL
OR FARMLAND CONSERVATION EASEMENT
PHASE II**

**STATE OF NORTH CAROLINA
COUNTY OF PERQUIMANS**

PIN: Portion of 2-0082-0008

This AGRICULTURAL CONSERVATION EASEMENT ("Conservation Easement") is made this 19th day of November, 2007, by and between **THE RAYBURN FAMILY LIMITED PARTNERSHIP**, of 340 Rayburn Lane, Hertford, N. C. 27944 (hereinafter referred to as the "Grantor"), and **NORTH CAROLINA COASTAL LAND TRUST**, a nonprofit North Carolina corporation, of 131 Racine Drive, Suite 101, Wilmington, NC 28403 ("Grantee").

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

RECITALS

A. Grantor owns in fee simple the property consisting of 42.99 acres situated in Bethel Township, Perquimans County, North Carolina, as shown on that certain plat entitled in part, "The Rayburn Family Limited Partnership Phase II Conservation Easement for North Carolina Coastal Land Trust, Bethel Township, Perquimans County, North Carolina," prepared by Ronnie L. Spivey, Professional Land Surveyor, dated June 30, 2006, and recorded in Map Book/Cabinet 2, at Page/Slide 167, Map No. 3 Perquimans County Public Registry (hereinafter "Plat"), all as more particularly described in Exhibit A attached hereto and made a part hereof (hereinafter "Property").

B. Grantee is a non-profit corporation established for the purpose of promoting the preservation of environmentally valuable and sensitive lands and lands with significant natural and open space values in the coastal plain of North Carolina for charitable, scientific, educational and aesthetic purposes and is qualified to be a Grantee of a conservation easement pursuant to N.C.G.S. Section 121-35.

C. The Property, which is contiguous to other lands of Grantor restricted by Conservation Easement dated March 7, 2002, and recorded in Book 227, Page 321 Perquimans County Registry, consists primarily of productive agricultural land and cultivated timber 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 Conservation Easement to protect the agricultural viability and productivity ("agricultural values") of this Property to enable the Property to remain in agricultural use by preserving and protecting its agricultural soils. Grantor and Grantee recognize that the Property in its present state has conservation values as productive agricultural land, timber land and natural and open space, the preservation of which is, "pursuant to a clearly delineated Federal, State or local governmental conservation policy," as that phrase is used in Section 170(h)(4)(A)(iii)(II) of the Internal Revenue code of 1986, as more particularly set forth in Section E hereinbelow.

D. Grantor and Grantee further recognize that the Property, which is contiguous to other lands restricted by Conservation Easement, has conservation value as open space (which includes both farmland and timber land), that unrestricted development of the Property would impair the conservation values of the Property, the preservation of which is pursuant to federal, state and local government policy and will yield significant public benefit as evidenced by:

- (1) 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 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";

- (2) the American Farm and Ranch Protection Act, Section 2031(c) of the Code, which provides for estate tax reductions for land subject to a qualified conservation easement;
- (3) the "North Carolina Environmental Bill of Rights," ratified as an amendment to Article XIV, Section 5 of the Constitution of North Carolina, which declares the state's policy, "to preserve as a part of the common heritage of this State its forests, wetlands, estuaries, beaches, historical sites, open lands and places of beauty";
- (4) the "Million Acres Initiative," enacted in June, 2000, in N. C. G. S. Section 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;
- (5) the North Carolina Farmland Preservation Trust Fund, established in 1986 in N. C. G. S. Section 106-744(c) to preserve important farmland in North Carolina; and
- (6) the special use assessment of farm and forest land as set forth in N. C. G. S. Section 105-277.2 et seq.

E. Grantor and Grantee recognize that the protection of the Property's open space and other conservation values will yield significant public benefits, as evidenced by the Recitals mentioned hereinabove together with:

- (1) the Uniform Conservation and Historic Preservation Agreements Act, N.C.G.S. Section 121-34 et seq., 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;" 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"; and
- (2) the special North Carolina Conservation Tax Credit Program, which encourages contributions of land that provide habitat for fish and wildlife and other similar land conservation purposes set forth in N.C.G.S. Sections 105-130.34 and 105-151.12 et seq.

F. Among the purposes of this Conservation Easement are to protect the agricultural viability and productivity ("agricultural values") of this Property, maintain wildlife habitat and other natural values of the Property and to prevent uses or development of the Property so as to maintain such values; subject, however, to the specific uses allowed below.

G. Grantor and Grantee have the common purposes of conserving the above-described agricultural and conservation values and the open condition of the Property and its wildlife habitat values.

H. Grantee is a publicly-supported, tax-exempt, nonprofit organization qualified under Sections 501(c)(3) and 509(a)(2) of the 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 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.

I. The specific conservation values of the Property and its current use are described in the Rayburn Farmland Easement Documentation Report Phase II, dated October, 2007, prepared by the Grantee (hereinafter "Easement Documentation Report" or "Report"), and acknowledged by the Grantor and Grantee to be complete and accurate as of the date hereof. Both the Grantor and the Grantee have copies of this Report, which 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, the Report is not intended to preclude the use of other evidence to establish the condition of the Property as of the date of this Conservation Easement in the event of any dispute concerning its use.

J. The Grantor owns the entire fee simple interest in the Property, including the entire mineral estate.

K. The North Carolina Historic Preservation and Conservation Agreements Act, N.C.G.S. Section 121-34 et seq., 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.

L. Grantor and Grantee recognize the agricultural, natural and open character of the Property, and have the common purpose of the conservation and protection in perpetuity of the Property by placing voluntary restrictions upon the use of the Property and by providing for the transfer from Grantor to Grantee of affirmative rights for the protection of the Property, intending the grant of such restrictions and rights to qualify as a "qualified conservation contribution" as that term is defined under Sections 170(h) and 2031(c)(8) of the Code, and therefore eligible for the benefits thereof.

M. The purposes of this Conservation Easement are to preserve and protect the conservation values of the Property described in the foregoing Recitals, to maintain permanently the agricultural, biological and open character of the Property, including land and wildlife resources, and to prevent any use of the Property that would significantly impair or interfere with the conservation values of the Property as set forth in the Recitals hereinabove. To this end, as stated hereinabove, it is the primary purpose of this Conservation Easement to protect the agricultural viability and productivity ("agricultural values") of this Property 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 of the natural and open space values referenced in this Easement are consistent with the primary

purpose stated herein, it is within the purpose of this Easement to also protect these values, and no activity that significantly impairs those values shall be permitted on the Property.

NOW, THEREFORE, as an absolute gift of no monetary consideration but in consideration of the above and the mutual covenants, terms, conditions, and restrictions contained herein, the receipt and sufficiency of which are hereby acknowledged, and pursuant to Section 170(h) of the Code and the laws of the State of North Carolina, in particular the North Carolina Historic Preservation and Conservation Agreements Act as set forth under N.C.G.S. Sections 121-34, *et seq.*, Grantor hereby voluntarily grants and conveys to Grantee and its successors and permitted assigns, and Grantee hereby accepts this grant of a conservation easement (herein referred to as the "Easement" or "Conservation Easement") in perpetuity over the Property of the nature and character and to the extent hereinafter set forth, together with the right to preserve and protect the conservation values thereof as described in the Recitals herein, together with a sixty (60) foot wide non-exclusive perpetual easement and right of access, ingress, egress and regress to, from and over a private lane or road leading to and from the Property and N. C. S. R. No. 1349, a portion of which private lane or road traverses the Property and is shown as, "Ex. 60' Perpetual Easement to N.C.S.R. 1349 See DB 227, P 321," on the aforesaid Plat prepared by Ronnie L. Spivey, Professional Land Surveyor, and dated June 30, 2006; subject, however, to the rights of Grantor and others in and to said non-exclusive perpetual 60 foot easement as shown on the aforesaid plat prepared by Ronnie L. Spivey dated June 30, 2006. The conveyance is also made subject 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 and is also subject to a reservation by Grantor of a 50 foot non-exclusive perpetual utility, drainage and access easement and shown as "50' Non-Exclusive Utility, Drainage & Access Easement Reserved" on the aforesaid Plat prepared by Ronnie L. Spivey, which 50 foot easement may be used by the Grantor or its successors in interest for the installation of a paved road, utilities and drainage to serve and access other properties owned by Grantor as of the date of this Conservation Easement. Grantor herein declares that the Property shall be held, transferred, sold, conveyed, used and occupied subject always to the covenants, conditions, restrictions and easements hereinafter set forth, which covenants, conditions, restrictions and easements shall constitute restrictive covenants and shall be deemed to run with the land in perpetuity and to burden the Property in perpetuity.

To achieve these purposes, the following conditions and restrictions are set forth and the parties hereby agree as follows:

ARTICLE I. PURPOSE AND DURATION OF EASEMENT

It is the purpose of this Conservation Easement to assure that the Property will be retained forever predominantly in its agricultural and/or natural and open space condition for conservation purposes, and to prevent any use of the Property not expressly permitted herein that will materially impair or interfere with the significant conservation values of the Property. This Conservation Easement shall be perpetual. It is an easement in gross, runs with the land and is enforceable by Grantee against Grantor, Grantor's successors and assigns, lessees, agents and licensees.

ARTICLE II. PROHIBITED AND RESTRICTED ACTIVITIES

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

Any activity on or use of the Property inconsistent with the purposes of this Conservation Easement is prohibited; provided, however, that all rights reserved by Grantor hereunder 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 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), or qualified conservation easement as described in Section 2031(c)(8)(B), of the Code, or any regulations promulgated thereunder.

Grantee makes no representation that the Property is suitable for any of the reserved activities and uses, or that exercise of any reserved rights is or shall be permitted under any local, state or federal law or regulation.

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

A. Industrial and Commercial Use. Industrial or commercial use of the Property and any right of passage, access, ingress, egress and regress to, from and across the Property for such purposes is prohibited; except, however, that the following limited industrial or commercial uses of the Property and any right of passage, access, ingress, egress and regress to, from and across the Property shall be allowed so long as they are conducted in a manner consistent with the conservation values of this Conservation Easement: (1) agricultural uses as described in Article II, Section B below; (2) forestry, carbon sequestration and timber harvesting as described in Article II, Section C below, and (3) hunting and other recreational uses as described in Article II, Section I below. All such permitted activities shall be conducted in a manner consistent with and shall maintain the conservation values of the Property and shall not violate the standard set forth in Section 2031(c)(8)(B) of the Internal Revenue Code, which prohibits more than a de minimis use of the Property, or any portion thereof, for a commercial recreational activity.

B. Agricultural Use. Grantee acknowledges that the primary uses of the Property have historically been farming of crops and the promotion of the growth of timber for commercial purposes. Agricultural use of the Property including, but not limited to, row crop farming, horticulture, grazing, animal husbandry, agricultural plantings for wildlife and an equestrian facility are allowed, may be continued and expanded and shall be considered consistent with the purposes of this Conservation Easement, provided that the same are conducted in a manner not inconsistent with this Conservation Easement and provided further that:

- (1) all such activities shall be conducted in accordance with any pertinent local or state regulations or guidelines covering such activities and Best Management Practices of the State of North Carolina;
- (2) pesticides and/or herbicides may be used only in a manner consistent with their labeling and in compliance with all federal, state, and local regulations, including those related to licensing and/or certification of applicators;
- (3) under no circumstances shall 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 be allowed; and no slaughtering facility is allowed;
- (4) all such activities shall be designed to maintain soil productivity and prevent soil erosion to protect water quality and wetlands;
- (5) any change in agricultural use or activity to a use not traditionally used on the Property shall be subject to the prior written approval of Grantee, which approval shall not be unreasonably withheld;
- (6) land application of domestic septic effluent and/or municipal, commercial or industrial sewage sludge or liquids generated from such sources is prohibited;
- (7) horticultural activities are allowed and non-native horticultural and agronomic (field and pasture) crops are allowed, subject to any local, state and/or federal regulations then in effect; however plantings, exclusive of horticultural and agronomic (field and pasture) crops, shall be limited to native species of plants;
- (8) aquaculture production involving the excavation of ponds on the Property is prohibited;
- (9) construction, maintenance and repair of structures to support wind, solar or other sources of energy or power generation primarily for agricultural activities conducted on the Property and other properties of Grantor, or its successors in interest, which are contiguous to the Property and are also used for agricultural purposes, are allowed, subject, however, to the provisions of Article II(E), including, but not limited to, the coverage limitations set forth in Article II(E)(2). Incidental or excess solar and/or wind power generated by any structure(s) located on the Property and not used for agricultural purposes, as set forth herein, may be sold to third parties. Except as specifically set forth herein, however, such power generation shall not support commercial or industrial uses;
- (10) 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.

C. Forestry. Silvicultural use of the Property, including, but not limited to, selective timber harvesting, timber stand improvement, carbon sequestration, pine straw production, raking and harvesting, clearing for wildlife habitat and new or expanded agricultural fields, construction of fire breaks, prescribed burning, and reforestation for timber production, wildlife management and/or carbon sequestration, is allowed; provided, however, that:

- (1) Grantor has the option of entering into a written Forest Management Plan consistent with the provisions of this Conservation Easement prepared by a registered forester or other qualified biologist and provided to Grantee thirty (30) days in advance of any harvesting or management activity, in which case timber harvesting and management may be further subject to the Timber Management Plan. Such Plan may be amended in writing from time to time by the Grantor and any amended Plan shall be provided to Grantee;
- (2) all such activities shall be in accordance with Best Management Practices 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;
- (3) regeneration may be achieved through natural or artificial means and prescribed burning in all pine dominated stands is encouraged;
- (4) no timbering during excessive wet weather (e.g., more than two inches of rain within a 48 hour period) is allowed to avoid significant rutting. Timber harvesting may resume 48 hours after the rain event has stopped;
- (5) the restrictions set forth in Article II, Section C, Subsections 1, 2 and 4 shall not apply in areas where forest is damaged by ice, fire, storm, wind, insects, infectious organisms, or other natural disasters, or is considered a human safety problem; and
- (6) Except as provided in Article II, Subsection B(7), non-native trees, shrubs or vines may not be planted on the Property; except, however, the planting of or crop production of ornamental trees for nursery or landscaping uses shall be permitted, subject to any local, state and/or federal regulations then in effect.

D. Disturbance of Natural Features, Animals and Plants. There shall be no cutting or removal of trees, or disturbance of other natural features except for the following:

- (1) as incidental to boundary marking, fencing, signage, construction and maintenance of foot trails, improvement or maintenance of roads and access, ingress, egress and regress allowed hereunder;
- (2) camping and hunting pursuant to any applicable federal, state and local rules and regulations;

- (3) as incidental to erosion control activities pursuant to applicable rules and regulations;
- (4) wildlife and natural habitat enhancement and/or control of non-native plants; and
- (5) forest management, silvicultural, agricultural and recreational uses permitted herein and incidental to such other activities as expressly permitted in this Conservation Easement.

E. Improvements, New Construction and Access Thereto. The Grantor's rights to construct or reconstruct buildings and other improvements are limited to those described in subparagraphs (1) through (5) below. Any residential use, or any construction or reconstruction not expressly permitted below is prohibited. Before undertaking any construction or reconstruction permitted herein, the Grantor shall notify the Grantee and must obtain Grantee's prior written consent to such construction or reconstruction. No building, facility, mobile home, antenna, tower, structure, or means of access shall be constructed or placed on the Property after the date of this Conservation Easement; except, however, that Grantor or their heirs, successors or assigns, may, upon providing written notice to Grantee:

- (1) Repair and replace existing fences and construct new fences which 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) New buildings and other structures and improvements to be used primarily for agricultural purposes, not including any farm labor housing or other residential structures, may be built on the Property only with the prior written consent of the Grantee. Grantor shall provide Grantee with a copy of all applicable building plans at least thirty (30) days prior to construction of such structure or improvement. Grantor, or its successors in interest may, upon providing written notice to Grantee, repair, reasonably enlarge and replace existing agricultural structures and improvements, if any. Construction must meet all local and state building codes. Notwithstanding any provision herein to the contrary, the total amount of impervious surface on the entire property shall not exceed 5 percent of the total acreage and this limitation on impervious surface coverage shall be deemed to include the square footage of any structure or the square footage of the footprint of any structure, whichever is greater, designed, constructed or used on the Property to support wind and/or solar power or any other type of power generation even if the footprint and/or base coverage of such structure is not impervious. This limitation on impervious surface coverage shall not apply to either the non-exclusive perpetual 60 foot easement to N.C.S.R. No. 1349 shown on the aforesaid plat prepared by Ronnie L. Spivey dated June 30, 2006, or to the 50 foot non-exclusive perpetual utility, drainage and access easement which traverses the

Property, shown as "50' Non-Exclusive Utility, Drainage & Access Easement Reserved" on the aforesaid Plat prepared by Ronnie L. Spivey. Grantor reserves the right to pave the said 50 foot easement, which is reserved by Grantor and may be used by the Grantor or its successors in interest as public access to Grantor's remaining property if Grantor or Grantor's successors or assigns develop or subdivide Grantor's remaining property, which is not already subject to and restricted by that Conservation Easement between Grantor and Grantee dated March 7, 2002, and recorded in Book 227, Page 321 Perquimans County Registry. Grantor reserves unto itself and its successors in interest the right to install a paved road and install, construct, maintain and repair utilities and drainage along and within the aforesaid 50 foot non-exclusive perpetual easement to serve other or remaining properties owned by Grantor and not already subject to the said Conservation Easement recorded in Book 227, Page 321 Perquimans County Registry; ;

- (3) Maintain and repair existing roads without the prior written consent of Grantee. Grantor may construct, maintain and utilize reasonable means of access to and utilities for the purpose of serving all permitted uses of the Property; provided, however that (a) all new roads or reasonable means of access to all permitted structures and uses are allowed only with the prior written consent of Grantee, (b) no new road nor right of way may be wider than thirty-six (36) feet, (c) construction of roads shall be limited to permeable materials, and (d) all new utilities, if any, shall be installed underground, unless prohibited by the appropriate utility; and,
- (4) Construct, maintain, repair and replace accessory structures designed, constructed and used for the purpose of serving the permitted uses (for example, storage sheds, deer stands and hunting blinds, exclusive of portable hunting blinds and stands), exclusive of structures designed, constructed and used to support wind, solar or other power generation, which shall be constructed in accordance with the provisions of Article II(B)(9) and subject to the limitations of Article II(E); and
- (5) Install, maintain, repair, replace, remove and relocate 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 any agricultural buildings existing or permitted herein, and the right to grant easements over and under the Property for such purposes is permitted. As set forth hereinabove, Grantor reserves the right to construct, install, maintain and repair utilities along and within the aforesaid 60 foot right-of-way and non-exclusive perpetual easement shown on the aforesaid plat prepared by Ronnie L. Spivey dated June 30, 2006, and reserves a 50 foot non-exclusive perpetual utility, drainage and access easement shown as "50' Non-Exclusive Utility, Drainage & Access Easement Reserved" on the aforesaid plat prepared by Ronnie L. Spivey, which 50 foot easement may be used by the Grantor or its

successors in interest for the installation of a road, utilities and drainage to serve remaining or other properties owned by Grantor as of the date of this Conservation Easement, as set forth in Article II(E)(2). Maintenance, repair or improvement of a septic system(s) or other underground sanitary system which exists on the Property at the time of this Conservation Easement, if any, 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 placed or constructed on the Property.

F. Signage. Display to the public of billboards, signs or advertisements is prohibited on or over the Property, except the posting of no trespassing signs, for sale signs, signs identifying the conservation values of the Property and/or identifying the Grantor as owner of the Property and/or Grantee as holder of the Conservation Easement.

G. Dumping. Dumping of nonbiodegradable substances such as chemicals and other hazardous substances, trash, garbage, waste, abandoned vehicles, appliances, machinery, or other nonbiodegradable material on the Property is prohibited. Composting of biodegradable material or use of such materials to improve fields, pastures, etc. is allowed. Manure, natural bedding and other grown materials may be spread on the Property. Disposal of storm debris, dead leaves, vegetative matter from agricultural, landscaping and gardening activities, and other biodegradable matter generated on or from the Property by depositing and burning said material in appropriate areas is allowed. Any permitted use shall be carried out in a manner consistent with any applicable federal, state and local laws and regulations. Grantor and Grantee recognize that illegal dumping of refuse by third parties can occur and Grantor shall remove such material within a reasonable time through specific collection or routine clean-ups. The temporary storage of trash in receptacles and the use of temporary portable toilet facilities for human waste for periodic off-site disposal are permitted. Land application of domestic septic effluent and/or municipal, commercial or industrial sewage sludge or liquid generated from such sources is prohibited.

H. Mineral Use, Excavation, Dredging. No surface mining is permitted. There shall be no commercial filling, excavation, dredging, mining or drilling; except however, that it shall be permissible to drill a well for water for irrigation of the Property or for watering for livestock maintained on the Property in accordance with the terms of this Conservation Easement; there shall be no removal of topsoil, sand, gravel, rock, peat, minerals or other materials, and no change in the topography of the land in any manner on the Property except (a) for the purpose of combating erosion or flooding on the Property; (b) for the uses and activities permitted hereunder, including, but not limited to agricultural uses, forestry uses, and recreational uses, as specifically set forth herein; (c) for the construction, repair and maintenance of roads and structures permitted hereunder on the Property and permitted by this Conservation Easement and utilities to service such structures; (d) for maintenance of existing drainage ditches and water control structures; (e) for construction, repair and maintenance of new drainage ditches incident to agricultural uses permitted herein; provided, however that all such construction, repair and maintenance shall be in accordance with all applicable then-current federal, state and local laws and regulations, including, but not limited to, any Natural Resource Conservation Service

(NRCS) standards and provided that no such activities are allowed to drain directly into Yeopim and/or Barrows Creeks; and (f) for archeological and historical purposes; provided there shall be no such excavation for archaeological or historic purposes if such excavation may significantly impair or interfere with the Conservation Values of the Property as set forth in the Recitals hereinabove; and provided, however, that there shall be no activity permitted that may significantly impair or interfere with the Conservation Values of the Property as set forth in the Recitals hereinabove.

I. 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; provided; however that all such activities must be conducted in a manner not inconsistent with the conservation purposes of this Conservation Easement and are limited to de minimis access to and uses of the Property and shall not violate the standard set forth in Section 2031 (c)(8)(B) of the Internal Revenue Code. 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.

J. Conveyance and Subdivision. The Property may not be divided, partitioned, or subdivided, or conveyed except in its respective current configuration as a single parcel.

K. Development Rights. No development rights 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.

L. Quiet Enjoyment. Grantor, in accordance with its property rights, reserves to itself, its successors and assigns, all rights accruing from its 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 Conservation Easement 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, transfer or otherwise convey the Property. Without limiting the generality of the foregoing, Grantor expressly reserves for itself, its successors and assigns, invitees and licensees the right of quiet enjoyment of the Property.

ARTICLE III. ENFORCEMENT AND REMEDIES

A. Notification and Enforcement. To accomplish the objectives of this Conservation Easement, the parties are allowed to prevent any activity on or use of the Property that is inconsistent with the purposes of this Conservation Easement and to require the restoration of such areas or features of the Property that may be damaged by such activity or use. Upon any breach of the terms of this Conservation Easement by either party (the "Breaching Party") that comes to the attention of the other party ("Non-Breaching Party"), the Non-Breaching Party shall notify the Breaching Party in writing of such breach and whether it considers such breach to be material. The Breaching Party shall have ninety (90) days after receipt of such notice to correct the conditions constituting such breach. If a breach alleged to be a material breach by the other party remains uncured after ninety (90) days, the Non-Breaching Party may:

1. Enter and inspect the Property for the purpose of determining whether there is a breach of this Conservation Easement, and/or to
2. Institute suits to recover damages and/or to enjoin any breach or enforce any covenant by temporary, and/or permanent injunction, either prohibitive or mandatory, and/or to
3. Require that the Property be restored promptly to the condition required by this Conservation Easement.

The Non-Breaching Party's remedies shall be cumulative and shall be in addition to any other rights and remedies available to the Non-Breaching Party at law or equity. Notwithstanding the foregoing provisions, if the Non-Breaching Party, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the conservation values of the Property, the Non-Breaching Party may pursue its remedies without prior notice to the Breaching Party, but shall exercise reasonable efforts to notify the Breaching Party.

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

C. Acts Beyond the Grantor's Control. Nothing contained in this Conservation Easement shall be construed to entitle the Grantee to bring any action against Grantor nor constitute a breach by Grantor, for any injury to, change in, or any condition or use of the Property caused by third parties, 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 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. Grantor shall be under no duty to repair any damage resulting from any such acts or causes.

D. Costs of Enforcement. All costs incurred by the Non-Breaching Party in enforcing the terms of this Conservation Easement against the Breaching Party, including, without limitation, costs of suits, attorney's fees and any costs of restoration necessitated by the Breaching Party's acts or omissions in violation of the terms of this Conservation Easement, shall be borne exclusively by the Breaching Party to the extent that the Breaching Party is judicially determined to have failed to comply with the terms of this Conservation Easement.

E. No Waiver. Enforcement of this Conservation Easement shall be at the discretion of Grantee and any forbearance by Grantee to exercise its rights hereunder in the event of any breach of any term set forth herein shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or of any other term of this Conservation

Easement or of Grantee's rights hereunder. No delay or omission by Grantee in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver thereof.

ARTICLE IV. NO PUBLIC ACCESS

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

ARTICLE V. EXHIBIT, DOCUMENTATION AND TITLE

A. Legal Description. Exhibit A to this Conservation Easement contains the legal description of the Property and is attached hereto and made a part hereof.

B. Easement Documentation Report. The parties acknowledge that the Rayburn Farmland Easement Documentation Report Phase II ("Easement Documentation Report") dated July, 2007, prepared by the Grantee, a copy of which is on file at the offices of the Grantee, accurately establishes the uses, conservation values and condition of the Property as of the date hereof.

C. Title. The Grantor covenants and represents that the Grantor is the sole owner of and is seized of the Property in fee simple and has good right to give, grant and convey this Conservation Easement; that there is legal access to the Property; that the Property is free and clear of any and all encumbrances, except for the exceptions listed in Exhibit B attached hereto and incorporated herein by reference, easements, implied easements, easements arising by legal implication, leases of record, and prescriptive rights of third parties; 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 "Ex. 60' Perpetual Easement to N.C.S.R. 1349 See DB 227, P 321," on the aforesaid Plat prepared by Ronnie L. Spivey and dated June 30, 2006; and also subject to a reservation by Grantor of and the rights of others in and to said non-exclusive perpetual easement as shown on the aforesaid plat prepared by Ronnie L. Spivey dated June 30, 2006; 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 VI. MISCELLANEOUS

A. Subsequent Transfers. Grantor agrees for itself and its successors and assigns, to notify Grantee in writing of the name(s) and address(es) of any party to whom the Property, or any part thereof, is to be transferred at or prior to the time said transfer is consummated. Grantor for itself and its successors and assigns, further agrees to make specific reference to this Conservation Easement in a separate paragraph of any subsequent lease, deed or other legal 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 Sections 170(h)(4)(A) and 2031(c)(8)(B) of the Internal Revenue Code.

(2) If a change in conditions occurs 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. Grantor and Grantee agree that the donation of this Conservation Easement gives rise to a property right, immediately vested in Grantee, with a fair market value equal to the proportionate value that the Conservation Easement bears to the value of the Property as a whole in the event that this Conservation Easement is extinguished by judicial proceeding as hereinafter provided.

For purposes of this subparagraph (2) only, the proportionate value of the Grantee's property rights shall remain constant. Upon such extinguishment by judicial proceeding, the Grantee, upon a subsequent sale, exchange or involuntary conversion of the Property pursuant to such judicial proceeding, shall be entitled to a portion of the proceeds at least equal to that proportionate value of the Conservation Easement, unless state law provides that Grantor is entitled the full proceeds from the extinguishment of this Conservation Easement without regard to the terms hereof. The Grantee shall use its share of the proceeds in a manner consistent with the conservation purposes set forth in the Recitals herein.

For purposes of this subparagraph (2) only, the parties hereto stipulate that as of the date of this Conservation Easement, the restricted fee interest in the Property and the Conservation Easement each represent a percentage interest in the fair market value of the Property. Said percentage interests shall be determined by the ratio of the value of the Conservation Easement on the date of this Conservation Easement to the value of the Property, without deduction for the value of the Conservation Easement, as of the date of this Conservation Easement. The values on the date of this Conservation Easement shall be those values used to calculate the deduction for federal income tax purposes allowable by reason of this grant, pursuant to Section 170(h) of the Internal Revenue Code. The parties shall include the ratio of those values with the Easement Documentation Report for the Property and shall amend such values, if necessary, to reflect any final determination thereof by the Internal Revenue Service or court of competent jurisdiction. For purposes of this subparagraph (2) only, the ratio of the value of the Conservation Easement to the value of the Property unencumbered by the Conservation Easement shall remain constant, and the percentage interests of Grantor and Grantee in the fair market value of the Property thereby determinable shall remain constant.

(3) If all or any part of the Property is taken under the power of eminent domain by public, corporate, or other authority, or otherwise acquired by such authority through a purchase in lieu of a taking, Grantor and Grantee shall join in appropriate proceedings at the time of such taking to recover the full value of their respective

interests in the Property subject to the taking and all incidental or direct damages resulting from the taking, unless state law provides that Grantor is entitled to the full proceeds from the taking, sale or conversion without regard to the terms of this Conservation Easement. All expenses reasonably incurred by the parties to this Conservation Easement in connection with such taking shall be paid out of the recovered proceeds. The respective rights of the Grantor and Grantee set forth in this subparagraph (Article VI (B)(3)) shall be in addition to, and not in limitation of, any rights they may have at law.

(4) The parties hereto recognize and agree that the benefits of this Conservation Easement are in gross and assignable; 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) of the Internal Revenue Code, and Grantee further covenants and agrees that the terms of the transfer or assignment will be such that the transferee or assignee shall be bound by the terms of this Conservation Easement.

C. 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. Section 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 Sections 170(h)(4)(A) and 2031(c)(8)(B) of the Internal Revenue Code and shall be governed by and construed under the laws of the State of North Carolina.

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.

E. Recording. Grantee shall record this instrument and any amendment hereto in the official land 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. Hazardous Waste. To the best of Grantor's knowledge, Grantor represents that no hazardous substance or toxic waste under any applicable rule and regulations exists on the Property nor has any 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. Grantor, its successors and assigns shall indemnify, defend, reimburse and hold harmless Grantee, its successors and assigns, from and against any and all environmental damages arising from the presence of Hazardous Materials upon, about or beneath the Property or migrating to or from the Property and arising out of Grantor's, its successors' or assigns' violation of any environmental requirements pertaining to the Property and any activities now or hereafter conducted thereon by Grantor, its successors and assigns.

G. Notices and Consent. Unless otherwise provided herein, all notices or other communications which may be or are required to be given or made by any party to the other under this Conservation Easement shall be in writing and shall be deemed to have been properly given and received on the date deposited in the United States mail, registered or certified, return receipt requested, addressed to the parties as set out below or to such other address(es) as either party may establish by written notice to the other delivered in accordance herewith.

To Grantor:
The Rayburn Family Limited Partnership
340 Rayburn Lane
Hertford, N. C. 27944

To Grantee:
North Carolina Coastal Land Trust
131 Racine Drive, Suite 101
Wilmington, NC 28403

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 forty-five (45) days after receipt of notice, a written notice of disapproval and the reason therefor has been mailed to the party requesting consent.

H. Amendments. Grantor 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 Conservation Easement under N.C.G.S. Section 121-34 et seq., or under Sections 170(h) and 2031(c)(8)(B) of the Internal Revenue Code; (2) is inconsistent with the purposes of this Conservation Easement; (3) affects the perpetual duration of this Conservation Easement; (4) no additional residences may be constructed on the Property except as expressly provided herein; and (5) any amendment must be in writing and signed and acknowledged by Grantor and Grantee, or their respective successors and assigns. Such amendment(s) shall be effective upon recording in the office of public land records of Pasquotank County, North Carolina.

I. Present Condition of the Property. The natural characteristics of the Property and its current use and state of improvement are described in the Easement Documentation Report prepared by Grantee and acknowledged by the Grantor and Grantee to be complete and accurate as of the date hereof. Both 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 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 any dispute with respect to its use.

J. Applicable Law. This Agreement shall be construed under the laws of the State of North Carolina.

K. Binding Effect. The covenants agreed to and the terms, conditions, restrictions and purposes imposed in this Conservation Easement shall be binding upon Grantor, Grantor's successors and assigns and shall continue as a servitude running in perpetuity with the Property.

L. Invalidity. The invalidity of any provision (or portion thereof) of this Conservation Easement shall not be deemed to impair or affect in any manner the validity or enforceability or effect of the remaining provisions (or portions thereof) of this Conservation Easement, and in such event, all of the other provisions of this Conservation Easement shall continue in full force and effect as if such invalid provision had never been included herein 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.

M. Captions. The captions herein are only for convenience and reference and do not define, limit or describe the scope of this Conservation Easement, or the intent of any provision hereof.

N. Interpretation. Whenever appropriate the singular may be read as plural, and plural may be read as singular, and the masculine gender may be read as the feminine or neuter gender.

O. Taxes and Assessments. The Grantor shall pay any real estate taxes, ad valorem, deferred land-use or roll-back taxes and all other tax assessments of whatever kind and nature assessed or levied against the Property.

P. No Extinguishment by Merger. 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.

Q. Mediation. 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 agrees 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 the receipt of the initial request shall jointly apply to a proper 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 sessions scheduled by the mediator. Representatives of both parties with settlement authority will attend mediation sessions 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 mediation 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 the Grantor and Grantee; the parties shall bear their own expenses, including attorney's fees, individually.

TO HAVE AND TO HOLD a Conservation Easement on the aforesaid tracts or parcels of land to the Grantee, its successors and assigns, forever.

And the Grantor covenants with the Grantee that Grantor is seized of the Property in fee simple, has the right to convey this Conservation Easement to the Grantee, that title is marketable and free and clear of all encumbrances, and that the Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions set forth in this Conservation Easement.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed in its name by authority duly given and Grantee has caused this instrument to be executed in its name by authority of its Board of Directors, the day and year first above written.

GRANTOR:

THE RAYBURN FAMILY LIMITED PARTNERSHIP

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

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

STATE OF NORTH CAROLINA
PERQUIMANS COUNTY

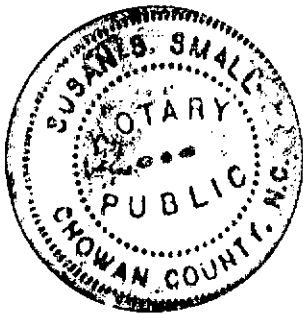
I, Susan S. Small, a Notary Public for said County and State, do hereby certify that Walker H. Rayburn, Jr. and Marjorie L. Rayburn, General Partners of The Rayburn Family Limited Partnership personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official stamp or seal, this 19th day of November, 2007.

Susan S. Small
Notary Public

AFFIX NOTARY SEAL

My commission expires: 4/17/2012



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GRANTEE:

[Corporate Seal]

NORTH CAROLINA COASTAL LAND TRUST

BY: Michael Murchison
MICHAEL MURCHISON, PRESIDENT

ATTEST:

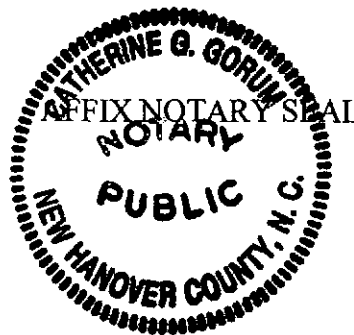
BY: Camilla M. Herlevich
CAMILLA M. HERLEVICH
ASSISTANT SECRETARY

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

I, Catherine G. Gorum, a Notary Public in and for the County and State aforesaid, do hereby certify that Camilla M. Herlevich, personally appeared before me this day and acknowledged that she is the Assistant Secretary of North Carolina Coastal Land Trust, a North Carolina Non-Profit Corporation, and that by the authority duly given as an act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by its Assistant Secretary.

IN WITNESS WHEREOF, I have hereunto set my hand and Notary Seal this the 14th day of November, 2007.

Catherine G. Gorum
Notary Public
Catherine G. Gorum
My commission expires:
January 24, 2012



**EXHIBIT A
TO AGRICULTURAL CONSERVATION EASEMENT BETWEEN
THE RAYBURN FAMILY LIMITED PARTNERSHIP
AND NORTH CAROLINA COASTAL LAND TRUST**

**LEGAL DESCRIPTION OF THE PROPERTY SUBJECT
TO THE CONSERVATION EASEMENT**

All of that certain tract or parcel of land, containing 42.99 acres, situated in Bethel Township, Perquimans County, North Carolina, and being more particularly described as follows:

BEGINNING AT A POINT marked by a set iron rebar set in the northern edge of a ditch, which set iron rebar is located North 67° 39' 19" West 267.40 feet from USC&G Monument "YEOPIN 1931" (Grid Coordinates N – 264,371.446 M and E – 842,443.167 M); thence from said set iron rebar and **POINT OF BEGINNING** and running in a general northwesterly direction away from said ditch along the center of a path North 13° 00' 19" West 1,767.03 feet to an existing iron rod, which said iron rod is set in the centerline of an existing lane and existing 60' Perpetual Easement (for reference see Deed Book 227, Page 321, in the Perquimans County Public Registry); thence running from said existing iron rod and continuing along the center of said lane and perpetual easement North 13° 16' 55" West 377.80 feet to an existing iron rod; thence cornering and running from said existing iron rod in a general northeasterly direction along a south line of other lands now or formerly owned by the Rayburn Family Limited Partnership and subject to a Conservation Easement held by North Carolina Coastal Land Trust (for reference see Book 227, Page 321 Perquimans County Public Registry) North 72° 42' 51" East 630.50 feet to an existing iron rod; thence cornering and running in a general southeasterly direction South 15° 46' 26" East 7.02 feet to an existing pinched pipe marking the northwest corner of that property, now or formerly, owned by Ray A. Randolph (Deed Book 166, Page 667, in the Perquimans County Public Registry); thence running in a general southeasterly direction along a west line of the Randolph property along the center of the remains of an old ditch South 14° 07' 50" East 788.38 feet to a set iron rebar at a bent pipe; thence cornering and running along a south line of the Randolph property North 77° 36' 21" East 396.07 feet to a set iron rebar; thence cornering and running along a west line of the Randolph property South 13° 23' 42" East 1,250.59 feet to a set iron rebar situated in the center of a ditch, and which said iron rebar marks the southwest corner of that property, now or formerly, owned by Ray A. Randolph (Deed Book 166, Page 667, in the Perquimans County Public Registry) and is situated in a north line of property now or formerly owned by HPB Enterprises, LLC (for reference see Book 291, Page 497 Perquimans County Public Registry); thence cornering and running along the center of said ditch in a general southwesterly direction along a north line of the HPB Enterprises LLC property South 69° 16' 51" West 1,056.85 feet to the set iron rebar and **POINT OF BEGINNING**, containing 42.99 acres, and being that same property described and delineated on that plat entitled in part, "The Rayburn Family Limited Partnership, Phase II, Conservation Easement for North Carolina Coastal Land Trust," dated June 30, 2006, and prepared by Ronnie L. Spivey, professional land surveyor, which plat is recorded in Plat Cabinet 2 Slide 167, Map No. 3, in the Perquimans County Public Registry, and which plat is incorporated herein by reference.

The Conservation Easement is conveyed together with a sixty (60) foot wide non-exclusive perpetual easement and right of access, ingress, egress and regress to, from and over a private lane or road leading to and from the Property and N. C. S. R. No. 1349 (also known as Rayburn Lane), a portion of which private lane or road traverses the Property and is shown as, "Ex. 60' Perpetual Easement to N.C.S.R. 1349 See DB 227, P 321," on the aforesaid plat prepared by Ronnie L. Spivey, dated June 30, 2006, and which sixty (60) foot wide non-exclusive perpetual easement is designated as a "private road" and more particularly delineated on that plat entitled in part, "Survey For Conservation Easement N.C. Coastal Land Trust Rayburn Tract," dated August 30, 2001, prepared by Mark D. Pruden, professional land surveyor, which plat is recorded in Plat Cabinet 2, Slide 95, Map No. 5, in the Perquimans County Public Registry

The conveyance of the said sixty (60) foot wide non-exclusive perpetual easement is made subject to the rights of Grantor, Grantor's successors in interest and others in and to the aforesaid sixty (60) foot wide non-exclusive perpetual appurtenant easement and right of access, ingress, egress and regress to, from and over a private lane or road leading to and from the Property and N. C. S. R. No. 1349 (also known as Rayburn Lane), a portion of which private road traverses the Property described hereinabove and is shown as, "Ex. 60' Perpetual Easement to N.C.S.R. 1349 See DB 227, P 321," on the aforesaid plat prepared by Ronnie L. Spivey, dated June 30, 2006. **The conveyances herein are 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 non-exclusive perpetual easement **and subject to** a reservation by Grantor of a 50 foot non-exclusive perpetual utility, drainage and access easement, delineated as "50' Non-Exclusive Utility, Drainage & Access Easement Reserved" on the aforesaid Plat prepared by Ronnie L. Spivey, which 50 foot non-exclusive perpetual easement may be used by the Grantor or its successors in interest for the installation of a paved road, utilities and drainage to serve remaining properties of Grantor and as a means of access, ingress, egress and regress over the Property to and from the aforesaid sixty (60) foot non-exclusive perpetual easement and remaining properties owned by Grantor.

For a more particular description of the lands and sixty (60) foot non-exclusive appurtenant easement conveyed to Grantee and the fifty (50) foot non-exclusive appurtenant easement reserved unto Grantor, reference is made to the aforesaid plat entitled in part, "The Rayburn Family Limited Partnership Phase II Conservation Easement for North Carolina Coastal Land Trust, Bethel Township, Perquimans County, North Carolina," prepared by Ronnie L. Spivey, Professional Land Surveyor, dated June 30, 2006, and recorded in Map Book/Cabinet 2, at Page/Slide 167, Map No. 3 Perquimans County Public Registry.

**EXHIBIT B
TO AGRICULTURAL CONSERVATION EASEMENT BETWEEN
THE RAYBURN FAMILY LIMITED PARTNERSHIP
AND NORTH CAROLINA COASTAL LAND TRUST**

EXCEPTIONS

1. Perquimans County ad valorem taxes for the year 2007, and all subsequent years, which shall remain the responsibility of the Grantor and its successors and assigns;
2. All general service and utility easements of record in the Perquimans County Registry; and
3. Existing sixty (60) foot non-exclusive perpetual easement and right of access, ingress, egress and regress to and from the property described in Exhibit A and N. C. S. R. No. 1349, fifty (50) foot non-exclusive perpetual utility, drainage and access easement reserved by Grantor, rights of others in and to the path and uninterrupted flow along ditches and such other matters as shown on that certain plat entitled in part, "The Rayburn Family Limited Partnership Phase II Conservation Easement for North Carolina Coastal Land Trust, Bethel Township, Perquimans County, North Carolina," prepared by Ronnie L. Spivey, Professional Land Surveyor, dated June 30, 2006, and recorded in Map Book/Cabinet 2 , at Page/Slide 167 , Map No. 3 Perquimans County Public Registry.