CROSLAND SOUTHEAST

J. AUSTIN WILLIAMS – PARTNER
RALEIGH, NC

AWILLIAMS@CSERE.COM
(919) 256-3020 OFFICE

July 26, 2016

Mr. Frank Rush, Town Manager
Town of Emerald Isle
7500 Emerald Drive
Emerald Isle, NC 28594

Dear Mr. Rush:

Crosland Southeast, through its affiliate entity C4 Emerald Isle, LLC ("C4"), is under contract to purchase approximately 6.4 acres of property on both sides of Crew Drive between Emerald Plantation shopping center and Emerald Landing Drive. C4 plans to acquire this property subject to obtaining necessary government approvals for the development of a retail shopping center, described in the site plan attached as **EXHIBIT A**.

The property which C4 intends to acquire includes 3 parcels presently owned by LRH Trust Properties, LLC (PIN 538307576783000, 538311577415000 and a portion of PIN 538307596005000) and one parcel owned by Lawrence S. Spell et al (PIN 538311575400000) as described in **EXHIBIT B** (collectively, the "Properties"). It is our desire to acquire and recombine the Properties into three tax parcels—one to accommodate an approximately 31,568 square foot grocery store, one containing a 3,600 to 4,000 square foot retail building, and another containing property north of the center line of the canal to be deeded (donated) to the Emerald Landing Property Owners Association, per Exhibit A.

However, due to constraints associated with the setbacks from the Crew Drive rights-of-way, our proposed development is not feasible if the Town of Emerald Isle continues to own Crew Drive. Please understand, *C4 is not suggesting that Crew Drive should be closed to traffic or the public.* Rather, C4 is offering to dedicate an easement for the *continuous and perpetual public use of Crew Drive, consistent with other public streets in the Town of Emerald Isle,* and C4 will fund the expansion, improvement, and maintenance of Crew Drive within the Properties. The proposed public dedication language for the easement has been approved by the Town Attorney as shown on our proposed recombination plat attached hereto as **EXHIBIT C**.

[Note: In the following paragraphs, the term "close" and "closure" are used in a strict legal sense – referring to the process established by North Carolina General Statues (Section 160A-299) by which the Town of Emerald Isle has the authority to abandon its ownership of a public roadway. Therefore "close" and "closure" in this context should in no way imply that the roadway will cease to exist.]

C4 hereby requests that the Town of Emerald Isle close Crew Drive from a point on the east side of Emerald Landing Drive extending eastward to the western property line of Emerald LLC, as Crew Drive is shown on the plat recorded in Map Book 8, page 52, Carteret County Registry, and as conveyed to the Town by Deed recorded in Book 328, page 98, Carteret County Registry as more specifically described on **EXHIBIT D** (the "Crew Drive Closure Area").

If the Town approves the request, the closure would not occur until, and would be contingent upon, C4 actually acquiring and taking title to the Properties. Following the acquisition and road closure, C4 will commit to repaving and widening the roadway from its current 23 foot average width to a 28 foot minimum width, installing curb and gutter on both sides of the Vehicular Access Easement, installing related stormwater retention devices, installing a continuous 5 foot minimum width sidewalk on the north side of the Vehicular Access Easement, as well as funding and performing all future maintenance for the improvements. Furthermore, C4 will provide a letter of credit, bond, or other acceptable security to the Town of Emerald Isle as guaranty that the proposed improvements will be completed in accordance with the Town's specifications and requirements.

We respectfully ask for your thoughtful consideration of this request. Should the Town approve this request, we assure that we will deliver a first-class project, which will be a compliment to the wonderful lifestyle and community that exists in Emerald Isle.

Sincerely,

C4 Emerald Isle, LLC

J. Austin Williams
Manager

The undersigned owners of the various Properties join in the execution of this letter to evidence their consent to the terms and conditions hereof.

(Continued on Next Page)

PROPERTY OWNERS:

LRH Trust Properties, LLC
By: The Fidelity Bank, Manager

John H. Slayton
Executive Vice President

Lawrence S. Spell

Lawrence S. Spell

EXHIBIT A

Site Plan

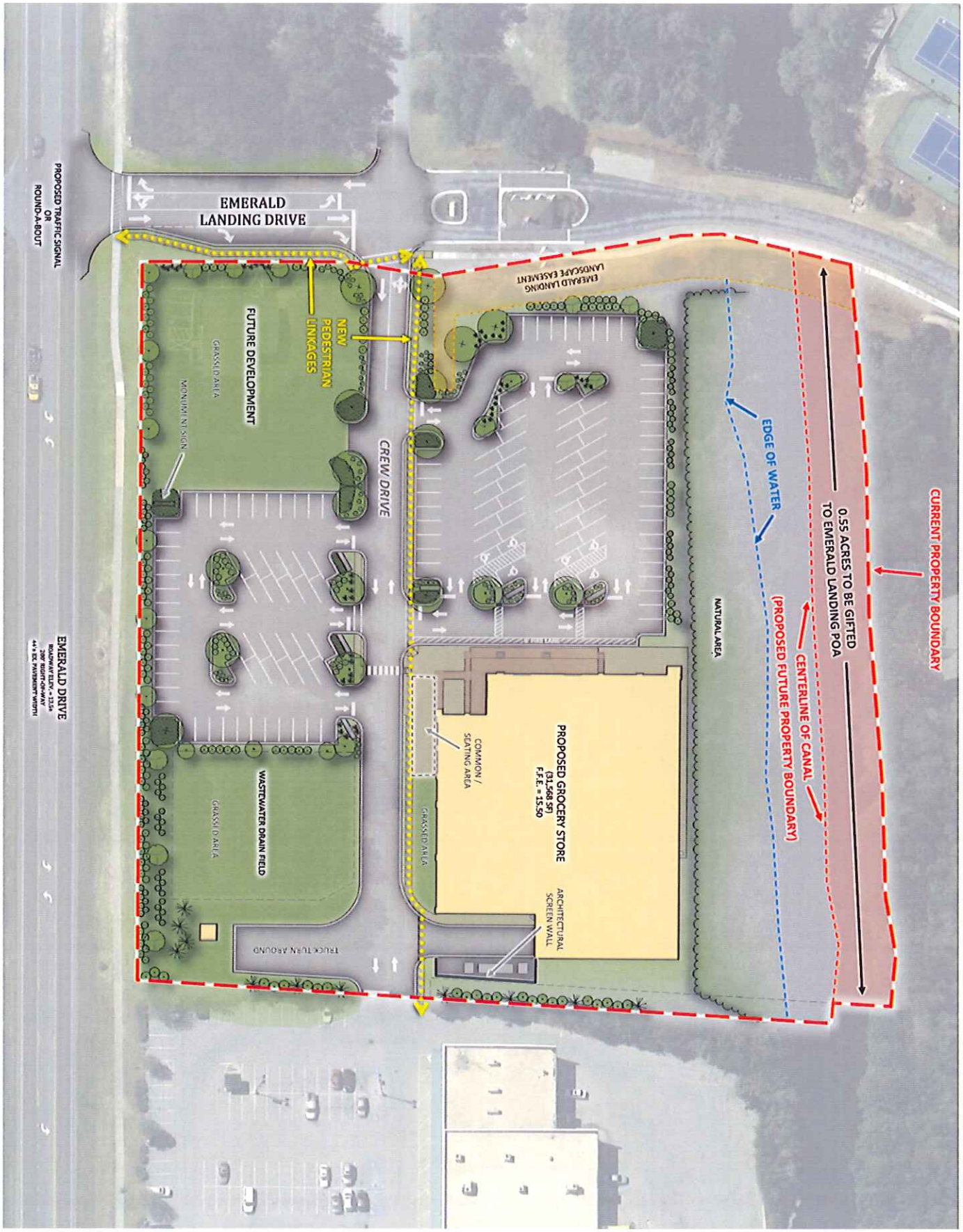


EXHIBIT B

"Properties"

EXHIBIT C

Recombination Plat

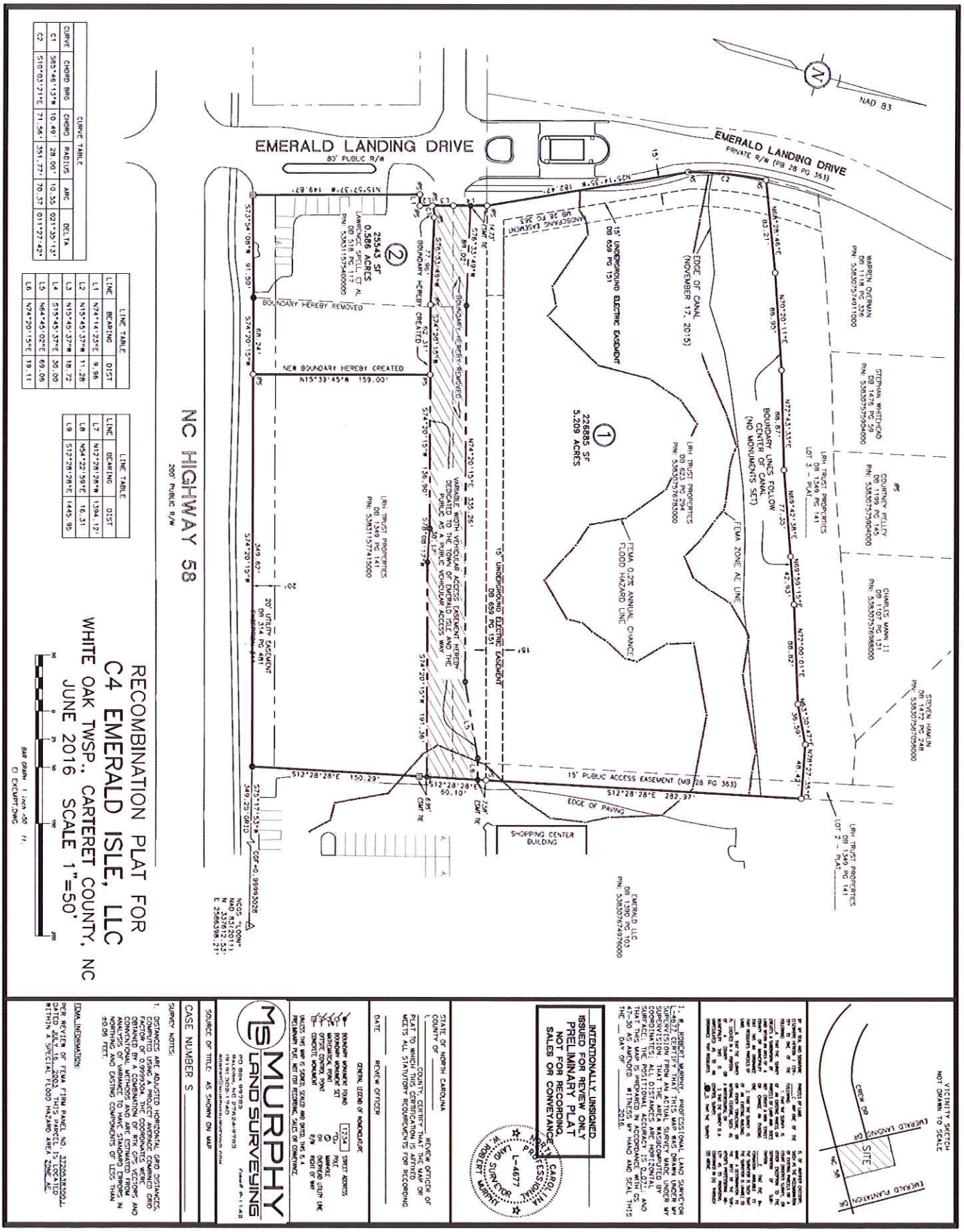
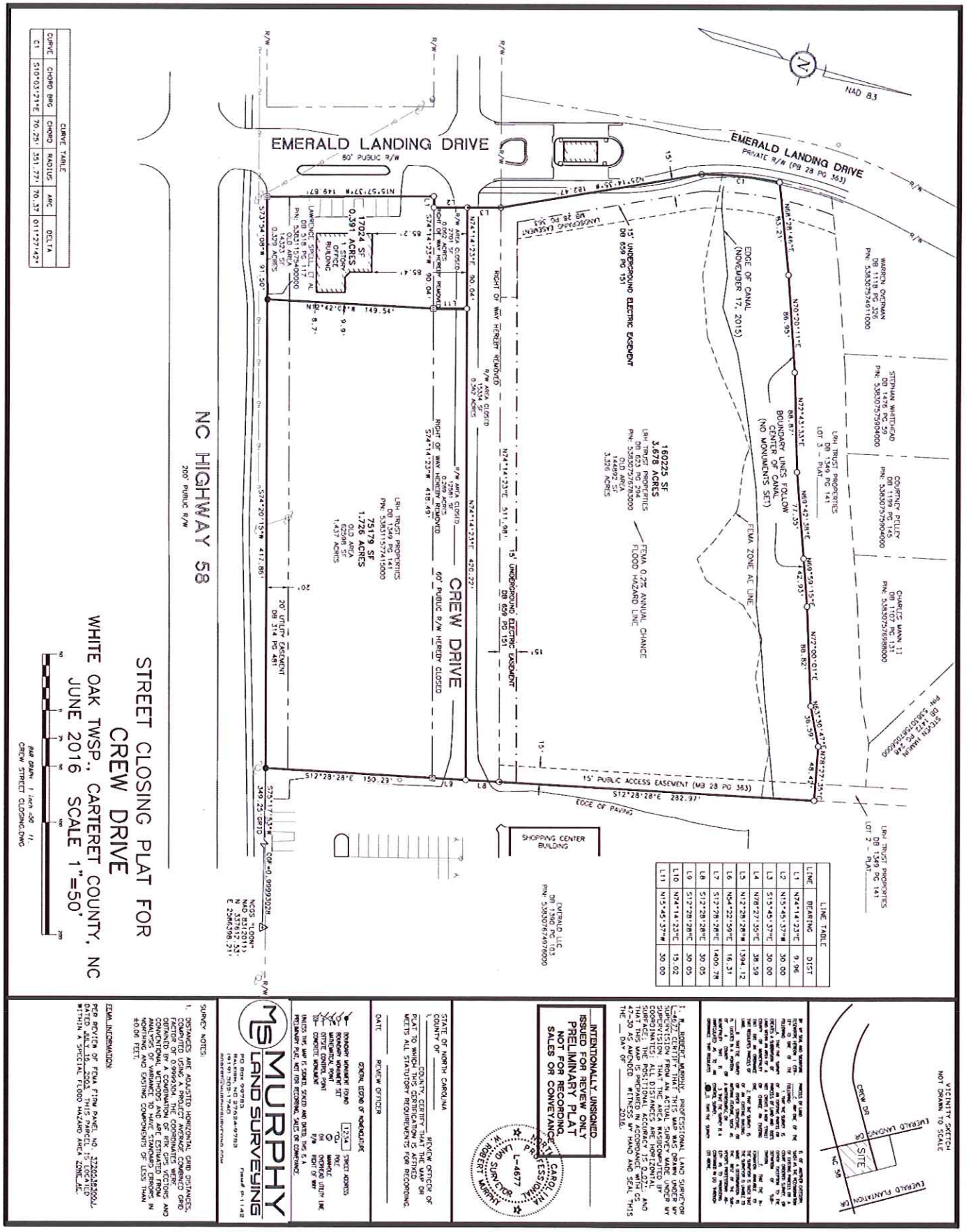


EXHIBIT D

Crew Drive Closure Area