

West 54, LLC
1777 Fordham Boulevard, Suite 106
Chapel Hill, NC 27514
(919)967-2278

November 10, 2008

Mr. Gayle Wilson
Director of Solid Waste Division
Post Office Box 17177
Chapel Hill, NC 27516

RE: Orange County Transfer Station

Dear Gayle:

This letter is in response to your conversation with Portia Hedgepeth regarding Orange County's interest in purchasing parcel # 9739-67-3056 consisting of 142.8 acres owned by West 54, LLC located on Highway 54 West, Chapel Hill for a transfer station.

Please be aware that the 142.8 acres owned by West 54, LLC is available for sale at a price of \$3 million dollars. In addition, we would consider an adjustment and sale of 100 acres for \$2,500,000.00 or doing a 1031 tax free exchange with a like property in Orange County. You proposed several questions regarding the property that we would like to respond to.

- 1) Earnest Money. The purchase price of the 142.8 acres is \$3 million and requires a ten (10%) earnest money deposit of \$300,000.00 and for the 100 acres at \$2,500,000 the deposit would be \$250,000.00.
- 2) Access. We will allow Orange County access to the property for the purchase of a walk through with advance notice to be accompanied by an Owner's representative.
- 3) Appraisal. We will allow Orange County to have the property appraised at their expense. We would recommend Paul Snow with Analytical Consultants or Bill Tate with Tate Moshier Appraisals. Since they are Orange County residence and are familiar with Orange County.
- 4) Survey. We will allow Orange County to obtain a survey of the property at the counties expense. (We recommend Freehold Land Surveyor – Charlie Billings @ 929-8090)
- 5) Only the 142.8 acres or the 100 acres site is available for sale in total with certain restrictions and buffer to be mutually agreed upon.
- 6) Signage. No signage will be permitted on this property to identify the site as a potential transfer station site until the property is conveyed
- 7) Easement. A 60 ft. minimum easement right-of-way thru the 8.1 acres would be required to be constructed by the County to access the 142.8 acre site or the adjustment for the 100 acre site.
- 8) No landfill now or with any future development of this property.

This property was designed to be passed on to our grandchildren has several other alternative uses including private development. Any development on the 142.8 acres must not have a negative impact on the 8.1 acres nor be converted to include a landfill at a later date. The frontage property would also need to have a commercial zoning and would need to maintain a large buffer area with privacy fencing around the 8.1 acre site. Additional requirements would be that this transaction would have to be done under conditions of a 1031 Exchange or at least no tax liability to Seller.

Regards,



Dennis H. Howell, Member Manager
West 54, LLC

DHH/ph