



Womble Bond Dickinson (US) LLP

VIA HAND DELIVERY

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Winston-Salem, NC 27101

December 28, 2018

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Sandra Keeney, City Secretary
101 N. Main Street
Suite 140
Winston-Salem, NC 27101

Re: Zoning Petition of Vulcan Lands, Inc. for Special Use Permit
(for Council meeting on January 7, 2019)

Dear Ms. Keeney:

In connection with the above referenced matter, please find the enclosed Zoning Petition and Statement in Support.

If you have any questions, please feel free to contact me. Thank you for your assistance.

Sincerely yours,

WOMBLE BOND DICKINSON (US) LLP



Scott A. Schaaf

Enclosure

NORTH CAROLINA) WINSTON-SALEM CITY COUNCIL
 FORSYTH COUNTY)
) ZONING PETITION OF
) Vulcan Lands, Inc.
) FOR A SPECIAL USE PERMIT
) (W-3392)

I, Scott Schaaf, attorney for the Applicant, am in support/opposition (circle one) of the aforementioned special use permit request pursuant to the following reasons attached hereto, which are germane to the four findings set forth in Section B.6-1.5(F) of the UDO. (Please attach your statement relating to the four findings when submitting this document, and be sure to include your name at the top of each page of your statement.)

(My statement is attached as Exhibit A and incorporated herein by reference.)

I believe I have standing in this matter because (check all that apply):

I am the applicant.

I am an agent of the applicant.

I live within 500 feet of any portion of the subject property for which the special use permit is requested. (Please note that your proximity to the subject property does not automatically confer standing. If necessary, be prepared at the hearing to articulate your status as an aggrieved party who will suffer special damages).

Other (If you require additional space, please attach a separate sheet, and be sure to include your name at the top of each additional page):

I understand that if I am not present at the public hearing scheduled for the consideration of the special use permit request by the City Council, this verified motion shall constitute hearsay, and Council may refrain from considering this motion.

^{28th}
 This the 30th day of December, 2018.

Scott Schaaf

Print Name: Scott Schaaf, Attorney for the Applicant

STATE OF NORTH CAROLINA - Forsyth COUNTY

I, Donna J. Tilley, a Notary Public of Stokes County, NC, do hereby certify that Scott A. Schaaf personally appeared before me this day and acknowledged the execution of the foregoing Verified Motion.

Witness my hand and notarial seal this the 28th day of Dec., 2018.

SEAL/STAMP

Donna J. Tilley Notary Public

My commission expires 3-13, 2019

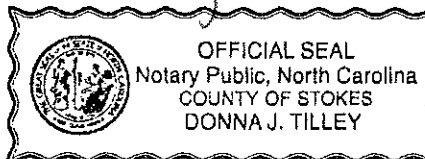


Exhibit A

Statement of Support for Verified Motion
Relating to Four Findings of Fact
To Grant Special Use Permit (W-3392)

Scott Schaaf, attorney for Vulcan Lands, Inc., submits the following in support of a Verified Motion to grant a Special Use Permit for a "Mining, Quarry, or Extractive Industry" to be located on 885 Pinebrook Knolls Dr. as described in application W-3392:

The findings that the Council must make to grant the Special Use Permit are as follows:

- a) The Use will not materially endanger public health and safety.
- b) Use meets all required conditions.
- c) Use will not substantially injure the value of adjoining or abutting property; and
- d) Use will be in harmony with the area in which it is to be located and in general conformity with Legacy

The following sections will outline how the application satisfies the four findings of fact:

A) The Use will not materially endanger public health and safety.

The Use is proposed on a property zoned General Industrial (GI). The purpose of the General Industrial District is as follows:

Purpose. The GI District is primarily intended to accommodate a wide range of assembling, fabricating, and manufacturing activities. The district is established for the purpose of designating appropriate locations and establishing development regulations for uses which may have significant environmental impacts or which require special measures to ensure compatibility with adjoining properties. The district is established to provide locations for major developments in GMAs 1, 2 and 3. (Winston-Salem/Forsyth County UDO 2-1.4 (C) (1))

Numerous land uses of industrial nature are permitted in the GI zoning district, including "Mining, Quarry, or Extractive Industry". The proposed use will utilize infrastructure and access already existing for the adjacent industrial use, Vulcan quarry. Since the Use is a relocation of existing portions of the quarry, Vulcan does not anticipate any increase in traffic. The Use will utilize the existing access for the Vulcan quarry, and not Pinebrook Knolls, which serves unrelated office uses.

The site plan contains setbacks that exceed City requirements, and berming and vegetation will be provided along the perimeter of the property adjacent to uses not associated with the quarry in

order to reduce auidial and visual impact of the Use. Activities of higher intensity, such as excavation and rock crushing, are not permitted.

The quarry has operated in a neighborly manner since its founding in 1946, and will continue to do so with this addition.

B) Use meets all required conditions.

The proposal meets all conditions required by the UDO, and the applicant agrees to the site-specific conditions of approval that have been requested by staff. UDO Section 2-5.52 outlines special conditions for "Mining, Quarry, or Extractive Industry" uses. This section outlines the proposal's compliance with the special conditions.

UDO 2-5.52:

(A) Operations Affected by Regulations

Mining operations which affect more than one acre of land, including borrow pits which disturb more than one acre of land at any one time, shall meet the following regulations.

(B) Dimensional Requirements

Dimensional requirements for mining operations are specified below. Buildings shall meet the setback and other dimensional requirements of the underlying zoning district.

Table B.2.7
Dimensional Requirements for Mining Operations
Required Minimum Distance from any Public Right-of-Way
or from Property that is Adjacent to:

Mining Activity	General Industrial District	Any Zoning District except GI
Any extraction area, road, or pit.	50 feet	100 feet
Any crushing of rock, processing of stone, gravel, or other material.	100 feet	150 feet
Any blasting.	200 feet	250 feet

Applicant Compliance Comment: Compliant

- a) *The proposed use will contain a stockpile, which is considered an extraction area, road, or pit. The stockpile area will be setback approximately 115' from the nearest property zoned General Industrial, and the stockpile area will be setback approximately 300' from the nearest property not zoned General Industrial. This setback exceeds the 50' minimum from a property zoned General Industrial, and 100' from a property zoned other than General Industrial.*

- b) *The proposed use will not contain any crushing of rock, processing of stone, gravel, or other material, so the 100'/150' setback is not applicable.*
- c) *The proposed use does not contain any blasting so the 200'/250' setback is not applicable.*

(C) Easements

No excavation shall take place within easements for underground transmission lines for oil, natural gas, or other potentially hazardous material.

Applicant Compliance Comment: Compliant. No excavation will occur.

(D) Fencing

Any excavation to a depth greater than five (5) feet shall be fenced. However, no fencing shall be required on any property where such fencing would be impracticable, as determined by the Director of Inspections, by reason of the location of such property in a floodplain.

Applicant Compliance Comment: Compliant. No excavation will occur.

(E) Hours of Operation

Quarry drilling, blasting, and crushing, except in cases of emergency involving safety on the site, shall not be operated on Sunday and may not be operated earlier than 7:00 a.m. nor later than 6:00 p.m. on any other day.

Applicant Compliance Comment: Compliant. No drilling, blasting, or crushing will occur.

(F) Access

The site of the mining operation shall have direct access onto a major or minor thoroughfare unless the site is located in GMAs 4 or 5. Any road which the mining operation accesses may be required to be improved to necessary industrial capacity as a condition of approval.

Applicant Compliance Comment: Compliant. The project has direct access onto Patterson Avenue, a minor thoroughfare, and Germanton Road, a major thoroughfare.

(G) Spillage and Effluent

The loading of trucks shall be accomplished in such a way as to prevent spillage on roads. The effluent of extraction or processing going into streams must comply with requirements of State law.

Applicant Compliance Comment: Compliant. A condition of approval requires that prior to the issuance of grading permits the Developer shall have a stormwater management study submitted for review by the Public Works Department of the City of Winston-Salem.

(H) Flooding

Whenever a mining operation would in the course of its operation create a flooding hazard, the operator, before commencing any such excavation, and at such other times during the excavation as may be necessary, shall erect such dikes, barriers, or other structures as will afford the same protection as if no excavation were made. No mining operation shall impede the flow of any watercourse.

Applicant Compliance Comment: Not Applicable. No excavation will occur, and this mining operation will not impede the flow of any watercourse.

(I) Operational Statement

The petitioner will file an operational statement with the Inspections Division which shall include the following:

- (1) The approximate date to begin operation and its expected duration;
- (2) Estimated type and volume of extraction;
- (3) Description of method of operation, including the disposition of topsoil, overburden, and by-products;
- (4) Description of equipment to be used in the extraction process;
- (5) Any phasing of the operation and the relationship of the various phases.

Applicant Compliance Comment: Will Comply. The applicant shall submit the required information.

(J) Temporary or Permanent Discontinuance of Operations

Notice of intent to discontinue temporarily a mining operation shall be filed with the Director of Inspections in advance of such temporary discontinuance. Notice of intent to discontinue permanently a mining operation shall be filed with the Director of Inspections not less than three (3) months in advance.

Applicant Compliance Comment: Will Comply.

(K) Maintenance

During any period that a mining operation is discontinued temporarily, the site, along with all structures, machinery, and fencing, shall be properly maintained in a safe and orderly condition.

Applicant Compliance Comment: Will Comply.

(L) Reuse or Rehabilitation of Site

Notice of permanent discontinuance of mining operation shall include a plan for reuse or rehabilitation of the site. Except where redevelopment for another permitted use is in progress on the site of a discontinued mining operation, the last operator shall perform the following within one year:

- (1) **Buildings and Equipment.** All buildings and equipment shall be removed;
- (2) **Materials.** All nonregulated waste piles, overburden, and other materials shall be graded so that the material assumes its natural angle of repose. These materials shall be planted with vegetation so as to prevent erosion;
- (3) **Walls.** Any quarry walls shall be cleared of loose materials;
- (4) **Water Collection and Drainage.** Any excavation shall be so graded as to provide for natural drainage; if the collection of water in an excavation is unavoidable, the area shall be fenced.

Applicant Compliance Comment: Will Comply.

(M) Other Requirements

The operator of any mining operation shall file with the Director of Inspections, in addition to any exhibits required elsewhere in this Ordinance, evidence of ownership or control of property, plans for rehabilitation, and notices of intent, as required herein. The Director of Inspections shall inspect the premises annually to determine that all specific conditions are being met. Violation of the requirements herein shall make the operator liable to the penalties set forth in this Ordinance.

Applicant Compliance Comment: Will Comply.

(N) Sand Dredging Operations

In addition to complying with the applicable provisions of this section, sand dredging operations shall be conducted in a manner which does not result in the erosion of the banks of a stream. The use of drag lines or other devices which remove vegetation and sediment from the banks of a stream are specifically prohibited.

Applicant Compliance Comment: Not Applicable. No sand dredging operations will occur.

C) Use will not substantially injure the value of adjoining or abutting property; and

An impact study for this proposal was published on January 9, 2018 by Carol Fortenberry, a Certified Real Estate Appraiser or Fortenberry Lambert, Inc. The report demonstrates that Vulcan's quarry has not adversely impacted surrounding property values, and anticipates that the addition should have a minimal impact on how the site is currently operated and should not adversely affect its neighbors. The full report is provided as an attachment to this Statement in Support.

D) Use will be in harmony with the area in which it is to be located and in general conformity with Legacy

The proposed area of the Use has been adjacent to the quarry since 1946 and the quarry has operated harmoniously with the surrounding area during its operation. This addition represents 5% of the quarry's land area, and will not adversely affect the existing harmonious composition of land uses in this area. The office and stockpile use of the property follows the land use

Scott Schaaf, Womble Bond Dickinson

guidance of the Comprehensive Plan to transition from industrial uses to office uses towards Hanes Mill Road, while acknowledging the underlying GI zoning district.

The North Suburban Area Plan intends to concentrate industrial development in designated industrial areas, and intends that economic development efforts be compatible with existing development and include improvements to existing facilities. This addition to an existing industrial use accomplishes these objectives and strengthens the tax base in the area without adversely affecting surrounding properties.

IMPACT STUDY
VULCAN NORTH QUARRY & WILSON COOK
MEDICAL, INC. PROPERTIES

4401 NORTH PATTERSON AVENUE AND 885 PINEBROOK KNOLLS DRIVE
WINSTON-SALEM, FORSYTH COUNTY, NORTH CAROLINA 27105

CONSULTATION REPORT

AS OF DECEMBER 12, 2017

PREPARED FOR

Tom Carroll

Director, Business Development and External Affairs
Vulcan Materials Company
4401 N. Patterson Avenue
Winston-Salem, NC 27105

PREPARED BY

Carol Lomax Fortenberry, MAI

FORTENBERRY LAMBERT, INC.

6923 SHANNON WILLOW ROAD, SUITE 400 CHARLOTTE, NORTH CAROLINA 28226 PHONE: (704) 375-1032 FAX: (704) 375-6545

January 9, 2018

Tom Carroll
Director, Business Development and External Affairs
Vulcan Materials **Company**
4401 N. Patterson Avenue
Winston-Salem, NC 27105

**RE: Impact Study of the Proposed Purchase and Development of the Wilson Cook Medical, Inc.
Property by Vulcan Materials
4401 North Patterson Avenue and 885 Pinebrook Knolls Drive
Winston-Salem, Forsyth County, North Carolina 27105**

Dear Mr. Carroll:

As requested, I have inspected the above-mentioned property; a quarry operation comprising approximately 296.7 acres in 20 tax parcels. The quarry operation itself occupies less acreage. It is estimated that about 155 acres include the quarry operations with the remainder being vacant industrial or residential zoned land.

The North Quarry property is located within the city limits of Winston-Salem and has existed since 1946. Vulcan Construction Materials, LLC along with Vulcan Lands, Inc. are wholly owned subsidiaries of Vulcan Materials Company. Vulcan, through its Vulcan Lands, Inc. subsidiary plans to acquire 16.595 acres owned by Wilson Cook Medical Inc. (Cook property) located adjacent to the quarry operations on the north side of Pinebrook Knolls Drive. The site is currently vacant. Vulcan plans to move some of its office and office/warehouse buildings, as well as the stockpile and parking for equipment to this site. There will be no mining operations on the Cook property. Development in the immediate area of the active quarry and the Cook property is industrial, office, retail and residentially oriented.

In order to utilize the property, Vulcan must receive approval by the City Council based on 4 criteria. A consultation report has been prepared addressing what impact, if any, the proposed use may have on the adjoining property owners. Based on my research, the proposed property addition will not impact or substantially injure the value of the adjoining properties. My opinion is based on the following Hypothetical Conditions and Extraordinary Assumptions.

FORTENBERRY LAMBERT, INC.

6923 SHANNON WILLOW ROAD, SUITE 400

CHARLOTTE, NORTH CAROLINA 28226

PHONE: (704) 375-1032

FAX: (704) 375-6545

Hypothetical Conditions None

Extraordinary Assumptions: A preliminary conceptual plan for the Cook property was provided. No survey or detailed building plans were provided. The land and building areas assumed in this report are based on public records and an inspection of the property. Any significant changes in the plans could result in a modification of the conclusions. The Cook property is currently subject to the Declaration of Covenants Conditions and Restrictions for the adjoining Oak Summit Business Park. The sale of the property to Vulcan is contingent upon the business park removing the site from the business park so the CCR's no longer apply. It is assumed that restrictions will be removed. In addition, it is assumed that Vulcan Materials will meet all performance standards and that all zoning, and/or governmental regulations, will be met.

The conclusions are supported by the data and reasoning set forth in the attached narrative. The reader is referred to the Assumptions and Limiting Conditions, which are included in the Addenda of the report. I certify that I have no present or contemplated future interest in the property. This consultation has been prepared in compliance with the Uniform Standards of Professional Consultation Practice (USPAP) as approved by the Consultation Standards Board of the Consultation Foundation and FIRREA Title XI, 12 CFR Part 34 (RTC).

Thank you for the opportunity to be of service, and if any information or clarification is needed, please do not hesitate to contact me.

Sincerely,

Carol L. Fortenberry



Carol Lomax Fortenberry, MAI
NC #A3237
Phone: 704-375-1032 x12
Email: carol@fortenberrylambert.com

FORTENBERRY LAMBERT, INC.

EXECUTIVE SUMMARY

Property and Location	4401 North Patterson Avenue and 885 Pinebrook Knolls Drive, Winston-Salem, Forsyth County, North Carolina 27105
Tax Parcel Identification	Vulcan: 20 Parcels starting with 6828 and 6838. See table in report. Cook Parcel: 6828-67-0736
Property Ownership	Vulcan Lands, Inc. and Wilson Cook Medical, Inc.
Appraisal Valuation Dates	
As Is Value Date	December 12, 2017
Inspection Date	December 12, 2017
Report Date	January 9, 2018
Purpose of Consultation	Determine whether the proposed addition of the Cook property to the existing quarry facility would substantially injure the adjoining property owners.
Property Rights Appraised	N/A
Hypothetical Conditions	None
Extraordinary Assumptions:	A preliminary conceptual plan for the Cook property was provided. No survey or detailed building plans were provided. The land and building areas assumed in this report are based on public records and an inspection of the property. Any significant changes in the plans could result in a modification of the conclusions. The Cook property is currently subject to the Declaration of Covenants Conditions and Restrictions for the adjoining Oak Summit Business Park. The sale of the property to Vulcan is contingent upon the business park removing the site from the business park so the CCR's no longer apply. It is assumed that restrictions will be removed. In addition, it is assumed that Vulcan Materials will meet all performance standards and that all zoning, and/or governmental regulations, will be met.
Zoning	Vulcan: GI, Industrial and RS9, Residential Single Family. Cook: GI, General Industrial. All property is legally conforming.
Flood Plain/Water Quality Buffers	Vulcan: Site includes flood plain Cook: Site includes a small amount of flood plain land
Land Area	Vulcan: 296.700 Acres Cook Property : 16.595 Acres

FORTENBERRY LAMBERT, INC.

EXECUTIVE SUMMARY CONTINUED

Property and Location

4401 North Patterson Avenue and 885 Pinebrook Knolls Drive,
Winston-Salem, Forsyth County, North Carolina 27105

Improvements

A portion of the site owned by Vulcan is improved with a rock quarry facility. The bulk of the quarry operation and plant equipment is located on 5 tax parcels, or 154 acres. Of the total industrial zoned acreage, 62 acres are vacant (4 tax parcels). Approximately 81 acres (11 tax parcels) all located east of Highway 8 are zoned for residential development, with only 1 parcel improved with a 1,390 SF single family residence that was constructed in 1963 (parcel 6838-04-1256) Improvements include the following:

Parcel 6828-64-5741: a 1,040 SF quality control lab built in 1983; a 6,840 SF metal service garage built in 1966; a 4,000 SF storage warehouse built in 1983.

Parcel 6828-65-6793: a 2-story office containing 28,908 SF built in 1972; a 24,160 SF storage warehouse built in 1967; a 4,200 F service garage built in 1967; a 2,100 SF paint shop built in 1967; a 4,254 SF delivery department building constructed in 1969; a 3,520 SF truck shop service garage built in 1965; a 5,000 SF storage warehouse built in 1977; a 2,040 SF geo-earth science building/office constructed in 1950; a 1,395 SF electric shop built in 1980; a 9,000 SF storage warehouse built in 1993; and a 1,280 SF office/central service building constructed in 2006.

Parcel 6828-66-9624: a 4,600 SF metal service garage building erected in 1985.

Parcel 6828-67-0277: a 404 SF office built in 1986.

Parcel 6828-77-5276: a 2,799 SF processing and sales office built in 1999.

The proposed addition parcel, 6828-67-0736 (Cook property) is vacant land that is zoned for industrial use. Proposed development includes an office/shop/office warehouse building; an area for equipment parking; a stockpile area; storm water detention pond, and a large buffer surrounding the property. There will not be any blasting or crushing operations on the site.

Present Use

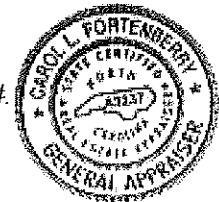
Quarry/Industrial/Vacant Land & 1 Single Family Residence that does not contribute value.

Highest & Best Use:

Quarry/Industrial

Consultant:

Carol Lomax Fortenberry, MAI
North Carolina State Certified General Appraiser #
carol@fortenberrylambert.com



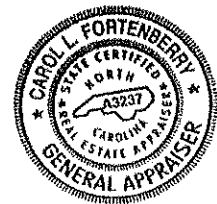
FORTENBERRY LAMBERT, INC.

CERTIFICATION

I, Carol L. Fortenberry, MAI, certify that, to the best of my knowledge and belief,

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. I performed no previous services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
4. I have performed no previous services as an appraiser on this property within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice*.
9. I have made a personal inspection of the property that is the subject of this report.
10. No one provided significant professional assistance to the person signing this report, other than those identified in the report. I have relied on surveys, floor plans, etc., provided by other professional persons who have been identified in the report.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, Carol L. Fortenberry, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.

Carol L. Fortenberry



Carol L. Fortenberry, MAI
North Carolina State Certified General Appraiser #A3237

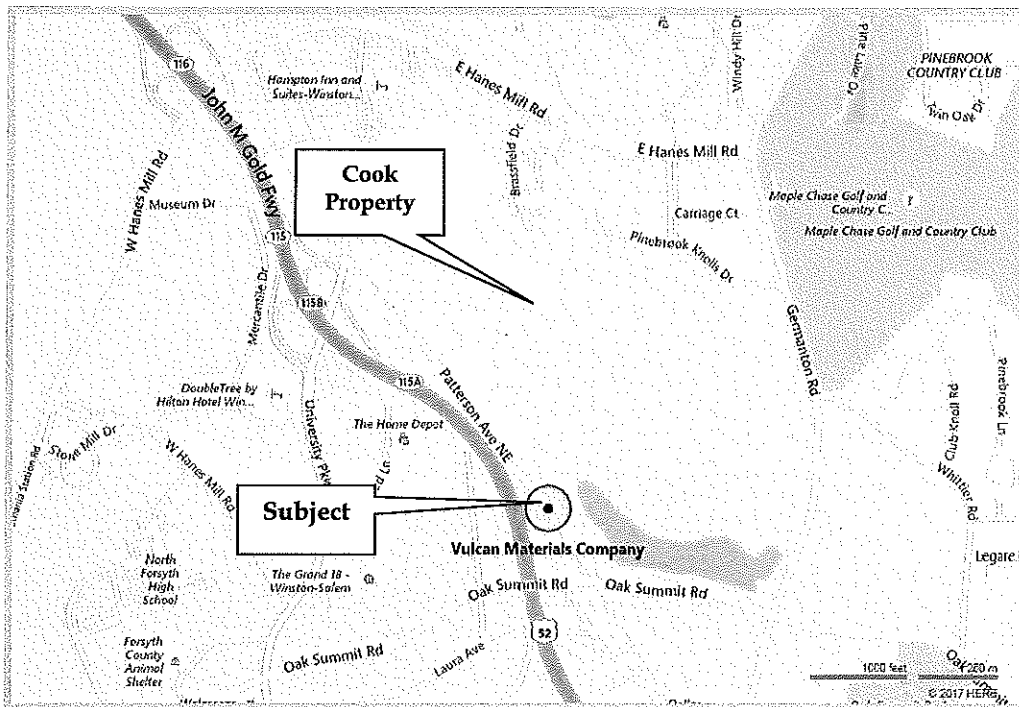
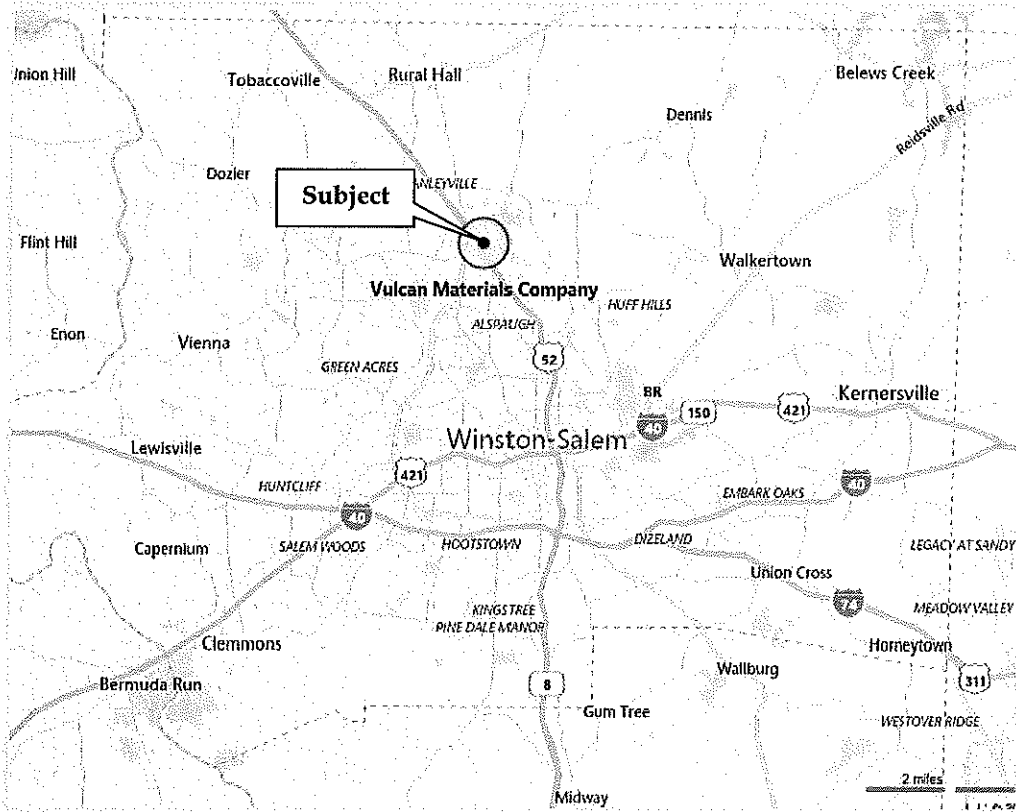
January 9, 2018
Date

FORTENBERRY LAMBERT, INC.

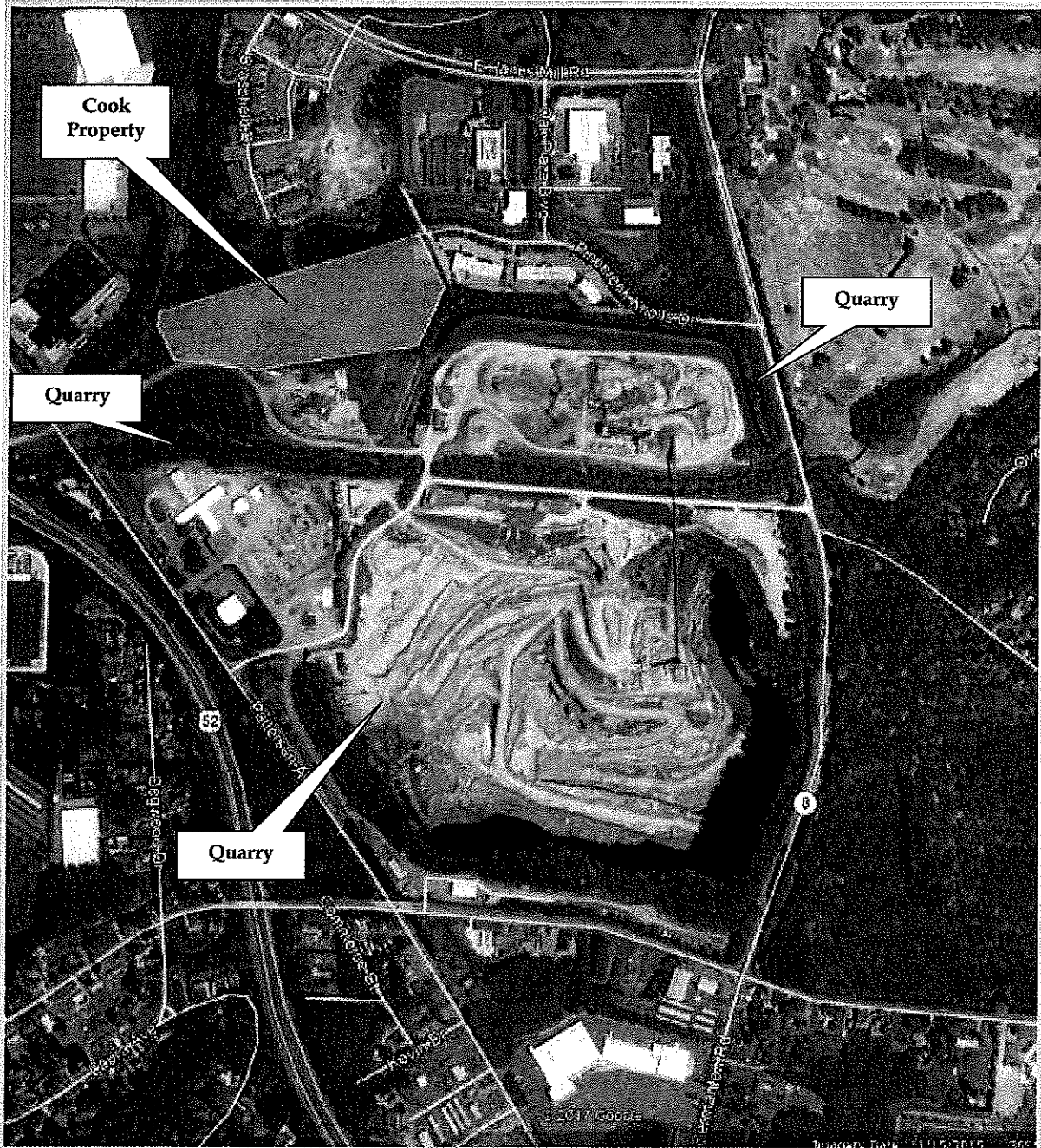
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PROPERTY IDENTIFICATION / CONSULTING PREMISE

The subject of this analysis is the Vulcan North Quarry & Wilson Cook Medical, Inc. Properties, North Carolina located in north Winston-Salem. The main address for the quarry is 4401 N. Patterson Avenue. The address for the Cook Medical property is 885 Pinebrook Knolls Drive. The Cook property is vacant and located north and across Pinebrook Knolls Drive from the Vulcan quarry.

The quarry property is under the ownership name of Vulcan Lands, Inc. (VLI), which is a wholly owned subsidiary of Vulcan Materials Company (Vulcan) and consists of 20 tax parcels containing 296.7 acres, based on Forsyth County Geo-Data Explorer. The acreage used in this report is based on tax records, as no survey of the overall property was provided.

Vulcan plans to purchase the Cook property to add it to the quarry's existing North Quarry operations. The Cook property has been affiliated with Oak Summit Business Park, and has been partially developed to the east of this site. The Cook property includes 16.595 acres and has remained vacant since its last conveyance in 1997. The sale of the Cook property to Vulcan is contingent on the Oak Summit Business Park removing the site from the park's owner association. It is my understanding that this will not be an impediment to the sale. Further, Winston-Salem's City Council will have to determine the potential impact on neighboring properties of adding the Cook site to the existing quarry facility. Four criteria are to be considered, which will be discussed later.

Preliminary development plans for the Cook property include an office/shop/office warehouse building; an area for equipment parking; a stockpile area; storm water detention pond, and a large buffer surrounding the site. There will not be any mining operations on the property.

GENERAL INFORMATION

Client	Vulcan Materials Company
Intended User	Vulcan Materials, and/or its assigns
Intended Use	The report will be used to determine the potential impact for the surrounding property owners for the planned purchase and development of the Cook Property. Vulcan plans to develop the site with office and warehouse uses, as well as equipment parking and a stock pile area for the potential expansion of the Vulcan North Quarry. The report will be used to assist in the approval process by the City Council for the expansion.
Report Format	Consultation Report
Prior Appraisal Services	We have performed no prior services as a consultant on this property within the 3-year period immediately preceding acceptance of this assignment.
Appraiser Competency	Carol Lomax Fortenberry, MAI is a State Certified General Real Estate Appraiser in both North and South Carolina. She has been a consultant and appraiser of commercial properties for over 25 years. Ms. Fortenberry meets USPAP Competency Provision requirements.

RELEVANT DATES

The following are the relevant dates of the impact study:

Date of Inspection	December 12, 2017
Date of Report	January 9, 2018

Hypothetical Condition and Extraordinary Assumptions

The *Uniform Standards of Appraisal Practice (USPAP)* defines a **Hypothetical Condition** as:

"that which is contrary to what exists but is supposed for the purpose of analysis."

Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject or about conditions external to the property, or about the integrity of data used in an analysis.

USPAP defines an **Extraordinary Assumption** as:

“an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser’s opinions or conclusions.”

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property.

Hypothetical Conditions Used	None
Extraordinary Assumptions Used	A preliminary conceptual plan for the Cook property was provided. No survey or detailed building plans were provided. The land and building areas assumed in this report are based on public records and an inspection of the property. Any significant changes in the plans could result in a modification of the conclusions. The Cook property is currently subject to the Declaration of Covenants Conditions and Restrictions for the adjoining Oak Summit Business Park. The sale of the property to Vulcan is contingent upon the business park removing the site from the business park so the CCR’s no longer apply. It is assumed that restrictions will be removed. In addition, it is assumed that Vulcan Materials will meet all performance standards and that all zoning, and/or governmental regulations, will be met.

SCOPE OF WORK

The scope, or the extent of the analysis, includes the following:

- *Physical inspection of the subject site, improvements, and neighborhood;*
- *Inspection of selected comparable local properties;*
- *Site analysis including physical and legal characteristics;*
- *Improvement analysis including construction details and functional utility (when applicable);*
- *Highest and best use analysis, as vacant and improved, if applicable*
- *Study of local assessed value history of subject and surrounding properties;*
- *Study of historical property values surrounding the subject*

Additional primary research may have been conducted with the property, depending on the requirements of the assignment.

OWNERSHIP HISTORY

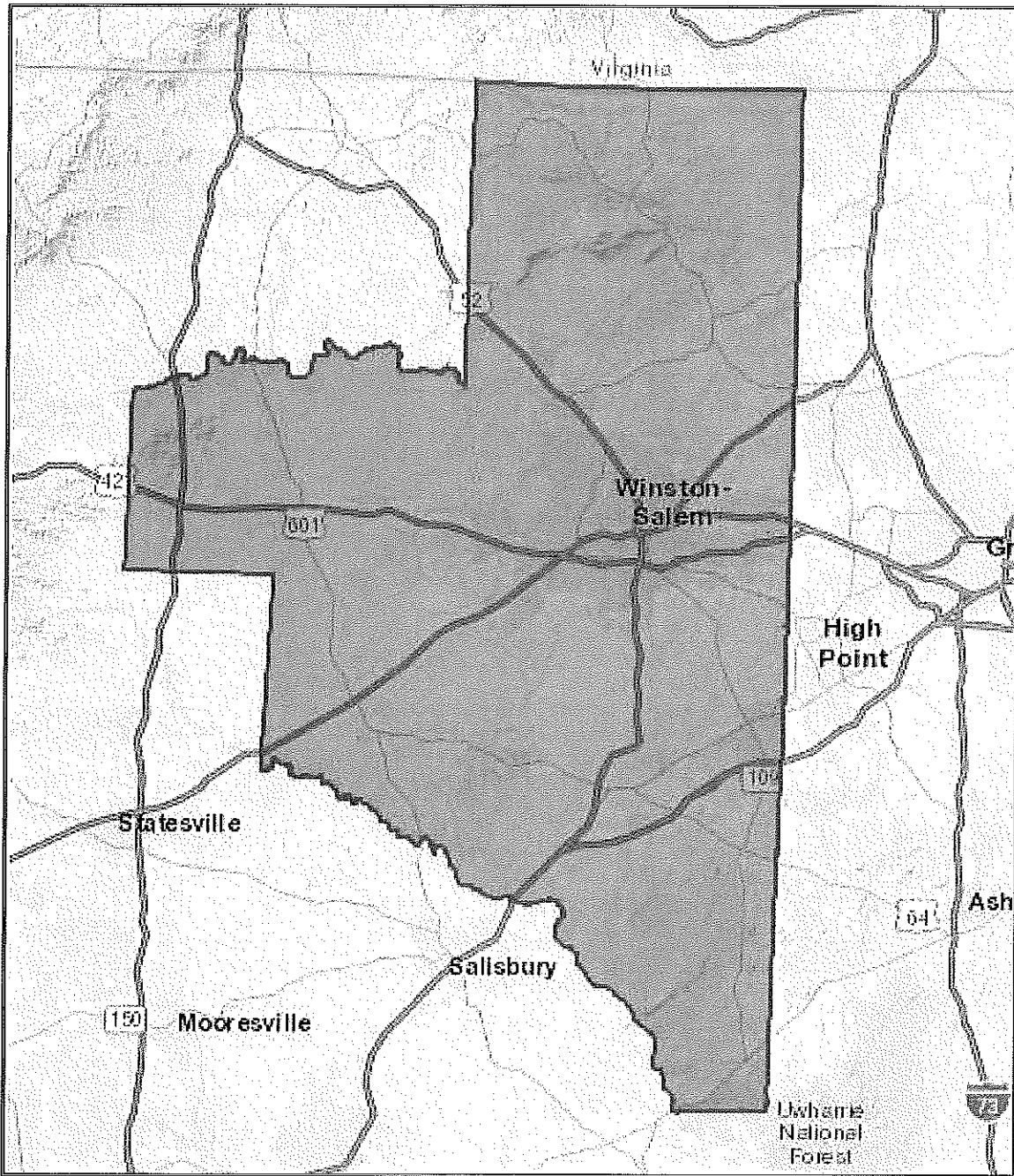
According to the Forsyth County Public Registry and Tax Assessor data, the most-recent transaction involving the Vulcan Property is as follows:

Current Owner of Record	Vulcan Lands Inc.
Most Recent Transaction Date	Multiple transactions. The most significant occurred on June 13, 2000. The deed indicates that 314.80 acres was conveyed. Some of this acreage was within road rights-of-way.
Buyer	Vulcan Lands, Inc.
Seller	Vulcan Materials Company
Deed Reference	2120/2973
Price Indicated by Excise Stamps	\$0 – Not arms-length. Related entities.
Other Sales Within Last 5 Years	None
Pending Transactions	None
Current Listing Agreements	None

The most-recent transaction involving the Cook Property is as follows:

Current Owner of Record	Wilson Cook Medical, Inc.
Most Recent Transaction Date	May 20, 1997
Buyer	Wilson Cook Medical, Inc.
Seller	Sara Lee Corporation
Deed Reference	1947/1604
Price Indicated by Excise Stamps	\$664,000 for 16.595 Acres, or \$40,012/Acre
Other Sales Within Last 5 Years	None
Pending Transactions	None
Current Listing Agreements	None

WINSTON SALEM, FORSYTH COUNTY



REGIONAL ANALYSIS

INTRODUCTION

The subject is located in the City of Winston-Salem, which is part of the Winston-Salem MSA. It is a city of over 200,000 residents located in the center of Forsyth County within the Interstate 40 corridor. The city was previously part of the Greensboro/Winston-Salem/High Point metropolitan statistical area (MSA). The region is known as the Piedmont Triad as a result of the geography of the three central cities – Winston-Salem to the west, Greensboro to the east, and High Point to the southeast. Winston-Salem is situated approximately 100 miles west of Raleigh (the state capital), and about 100 miles north of Charlotte; roughly midway between Atlanta and Washington, D.C. along Interstate 85.

ACCESSIBILITY AND TRANSPORTATION

The Piedmont Triad region is located in the north-central portion of North Carolina. The region is centrally located on the central east coast of the United States and within one day's drive of approximately 158 million persons or 55% of the nation's population.

The MSA is served by four Interstate Highways. Interstate 85, runs southwest through Charlotte and on to Atlanta. Interstate 85 goes northeast to the Raleigh-Durham area and on to the Richmond and Washington D.C. areas. Interstate 40 runs east from the Piedmont Triad area to western North Carolina and Tennessee and connects with Interstate 77 about 30 miles to the west. Interstates 73 and 74 run north/south from the Piedmont Triad region. Due to the central location and the good highway access, the region is a major ground transportation hub with more than 100 trucking companies serving the Triad region.

In order to move traffic around the heavily urbanized areas of Winston-Salem, the state completed construction of the "new" I-40, which intersects the former I-40 (now Business 40) on the west side of Winston-Salem, which follows a route east to the western side of Kernersville. Other major highways serving the Triad include US Highway 220 and US Highway 52, which are the north and south corridors.

Piedmont Triad International Airport is located off U.S. Highway 68 two miles north of I-40 in the westernmost portion of Guilford County. The airport is served by three commercial carriers; Continental Airlines, Delta Airlines and American Airlines, with an average of 280 takeoffs and landings daily. The airport is served by several air cargo companies including Emery Worldwide, Federal Express and Airborne Express, which handle approximately 75 million pounds of cargo each year.

POPULATION

The Winston-Salem MSA contained an estimated 665,726 persons in 2016. The City of Winston-Salem had a population of 241,804. Between 2010 and 2016, Winston-Salem has grown from 229,516 residents to 236,833, an annual growth rate of nearly 1%. Growth rates in the MSA are slightly below those of Forsyth County and the City of Winston-Salem, as they include rural counties as well. Forsyth County is expected to grow at the fastest pace through 2021, with an annual growth rate of 1.6%.

Population Data

Geography	Census	Estimated	Annual	2021	% Change/Yr.
	2010	2016	% Change	Projection	2016-2021
Winston-Salem MSA	640,595	665,726	0.6%	687,965	0.7%
Forsyth County	350,670	370,278	0.9%	399,922	1.6%
City of Winston-Salem	229,516	241,804	0.9%	253,597	1.0%

SOURCE: ESRI

INCOME

The Winston-Salem MSA and Forsyth County compare favorably to each other in terms of household income as shown below. There are slightly higher percentages in the higher income brackets than there were in the last couple years, as the economy continues to strengthen. One slight difference in the two geographies is that 19.3% of Forsyth County households earn \$100,000 or more, compared to only 17.0% in the MSA. This is likely a function of city versus rural economy.

Household Income Data

	Geography	
	Winston-Salem MSA	Forsyth County
2016 Estimated HH by Income		
Less Than \$15,000	14.1%	13.5%
\$15,000 to \$24,999	12.1%	11.9%
\$25,000 to \$34,999	12.4%	12.3%
\$35,000 to \$49,999	15.3%	14.8%
\$50,000 to \$74,999	17.5%	16.7%
\$75,000 to \$99,999	11.7%	11.5%
\$100,000 to \$149,999	10.5%	11.3%
\$150,000 to \$199,999	3.4%	4.0%
More Than \$200,000	3.1%	4.0%
2016 Estimated Median HH Income	\$45,263	\$46,677
2016 Estimated Average HH Income	\$63,950	\$67,928
2016 Estimated Per Capita Income	\$25,909	\$27,679

SOURCE: ESRI

EDUCATION

Forsyth Tech is a state-run community college enrolling more than 6,500 students in curriculum programs. Wake Forest University (WFU) has been known as one of the nation's most selective liberal arts universities. WFU's enrollment includes more than 6,500 students, of which about 4,000 are undergraduates.

Winston-Salem State University, a historically African-American school, offers more than 30 bachelor's degree programs. WSSU has an enrollment of 2,800 students. Salem College, founded in 1772, is the oldest educational institution in the state and the oldest continually operating women's college in the country. Salem, a distinguished liberal arts college in the historic district of Old Salem, has been ranked by Money magazine as one of the 10 best buys in the nation among women's colleges since 1996. Total enrollment is estimated at 1,100. Salem offers 32 majors. North Carolina School of the Arts is the only state-supported residential arts school of its kind. More than 950 students are enrolled in the school.

EMPLOYMENT

According to the North Carolina Employment Security Commission (ESC), between 2000 and 2006, employment in the Winston-Salem MSA grew at a steady pace. However, employment growth slowed beginning in 2007 and lasting through 2009, a result of the national and local economic downturn. For the next several years, unemployment remained high, but started a downward trend. As employed labor increased each year since 2009, the unemployment rate has decreased from a peak of 10.8% in 2009 to a low of 4.6% in 2016. These trends are depicted in the table below.

**Employment Trends, 2007 to 2016
Winston-Salem MSA**

Year	Employed Labor		Unemployment
	#	% Change	Rate
2007	300,019	N/A	4.7%
2008	294,602	-1.8%	8.4%
2009	281,220	-4.5%	10.8%
2010	286,228	1.8%	10.2%
2011	288,289	0.7%	9.3%
2012	292,752	1.5%	8.6%
2013	294,807	0.7%	6.2%
2014	296,163	0.5%	4.7%
2015	300,473	1.5%	5.5%
2016	309,369	3.0%	4.6%

Source: North Carolina Employment Security Commission
Note: December Year End figures

ECONOMIC FORCES

Forsyth County’s economic base, in the past, has been focused around the tobacco industry, specifically the R. J. Reynolds Tobacco Company. Beginning in 1987, efforts to diversify the economic base included several new employers such as Lee Jeans, Siecor, SOMAR Corporation, Pepsi-Cola, and BB&T Corporation being relocated to Winston-Salem. The following table summarizes the largest employers in Forsyth County as of 2016. Of particular importance to the medical office industry, four of the top five employers are health-related entities.

Forsyth County Top Employers

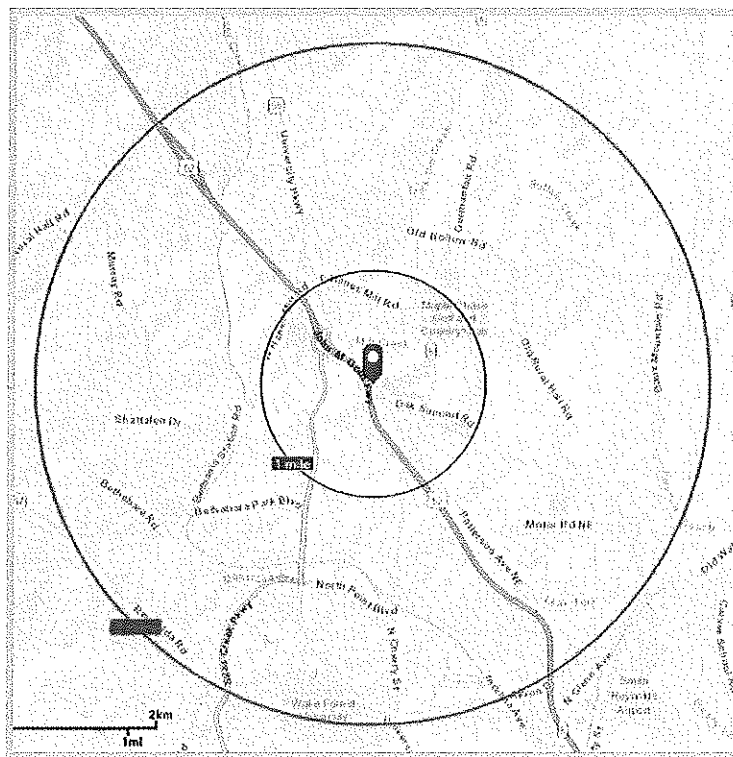
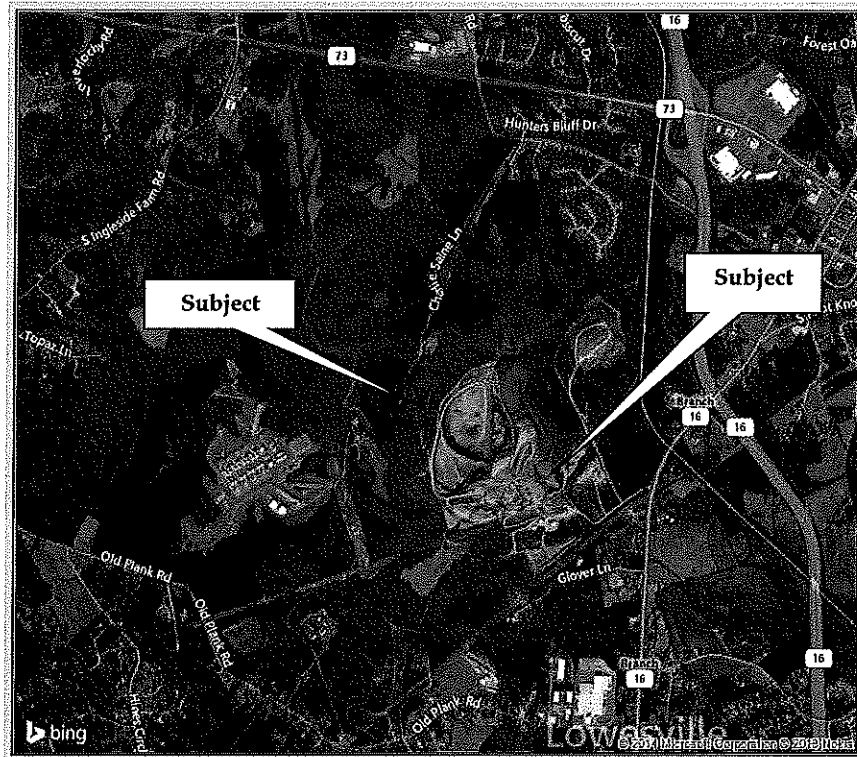
Rank	Name
1	Wake Forest University Baptist Medical Center
2	Winston Salem Forsyth County Schools
3	Forsyth Memorial Hospital
4	Wake Forest University School of Medicine
5	Novant Health, Inc.
6	City of Winston-Salem
7	Wake Forest University
8	Hanesbrands, Inc.
9	Wal-Mart Associates, Inc.
10	Wells Fargo, Inc.

Source: NC Department of Commerce

CONCLUSION

In summary, the Winston-Salem metropolitan area has a diversified economic base. The four forces that influence value - social, economic, governmental and environmental - are favorable. Population and job growth for the area have been slow but steady over the last several years. The unemployment rate for the MSA has declined to at or below the national average in recent years. Employment and unemployment for the area indicate continued recovery from the past recession, as well as strengthening and stability. The continued growth in manufacturing, transportation, services, and wholesale trade also positively influences the real estate market.

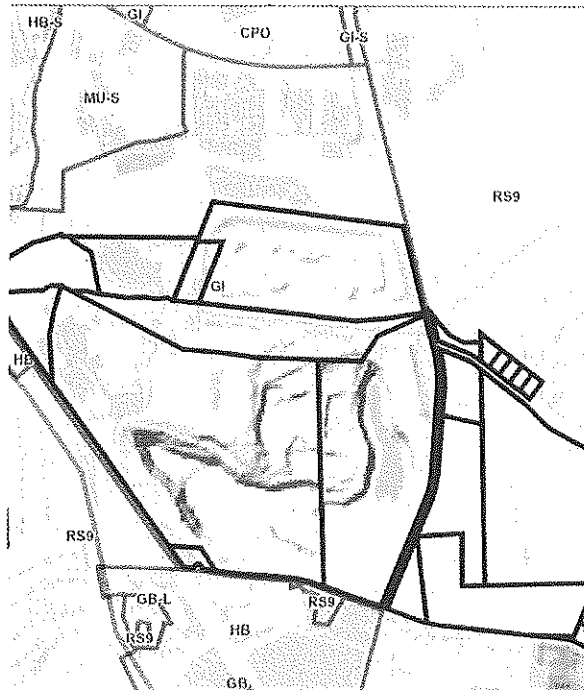
NEIGHBORHOOD MAPS



NEIGHBORHOOD ANALYSIS

The Dictionary of Real Estate Appraisal, 6th Edition, 2015, page 156, defines a neighborhood as "a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises."

Location	The neighborhood is located in northern Winston-Salem and Forsyth County, NC. The area has a diverse mix of residential, commercial, office, institutional, industrial and recreational uses.
Boundaries	North E. Hanes Mill Road East Germanton Road South Germanton Road, Patterson Ave, NE & US Highway 52 West US Highway 52
Accessibility	The area is accessed primarily by US Highway 52, which intersects with Interstate 40/US Highway 421 to the south. . Hanes Mill Road provides access running east/west, and is mostly improved with commercial development in the neighborhood. Patterson Avenue and University Parkway also provide north/south access. Access to and through the neighborhood is very good
Services and Utilities	Water, sewer, electricity, natural gas, and phone service. Assumed adequate to serve the area.
Zoning	Most of the zoning for the immediate neighborhood is for industrial and commercial, with residential zoning located off the major roads. Zoning and land uses are compatible.



Environmental Characteristics

There are no known adverse environmental conditions that may have a detrimental influence on the subject neighborhood. As outlined in the Assumptions and Limiting Conditions in the Addenda, the appraiser is not qualified to detect the existence of potentially hazardous or toxic materials, which may be or have been present in the subject neighborhood. The existence of such substances could affect the value of properties in the area.

Percent Built Up / Life Cycle

The neighborhood is in a growth stage and is about 80% built up.

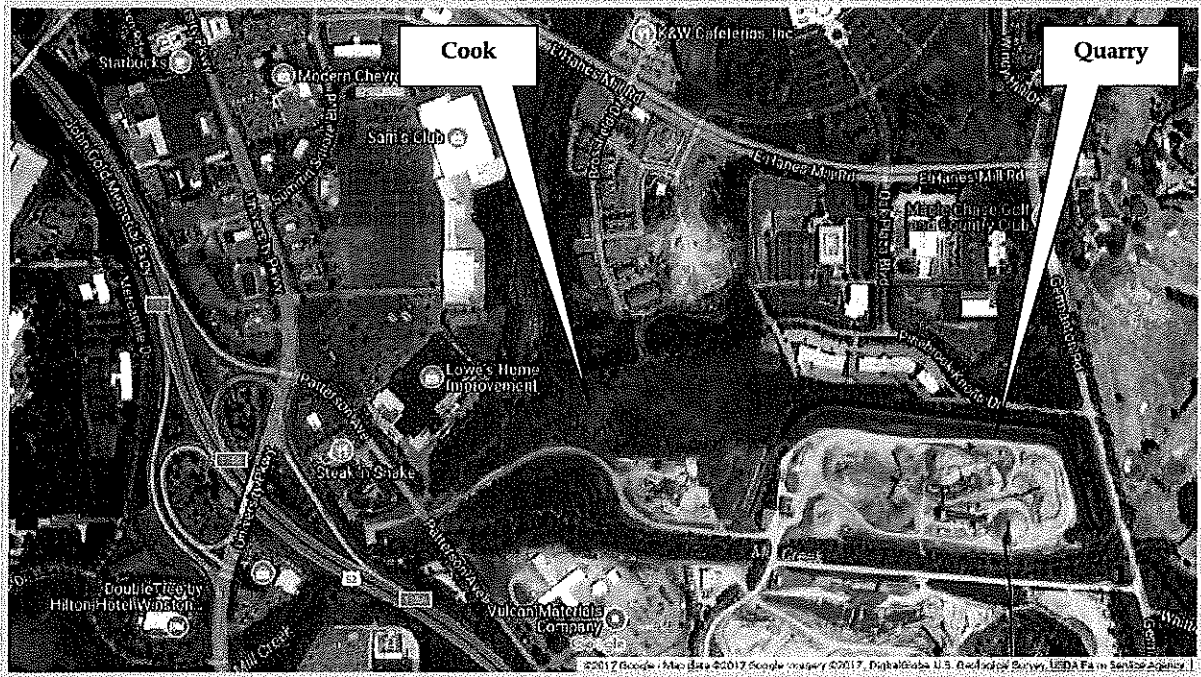
Watershed/Wetlands

The neighborhood is not located in a watershed or a protected or critical area that requires additional restrictions on development.

Development & Land Use Trends

Some of the development in the area includes Lowe's Home Improvement; Sam's Club; Walmart; Steak & Shake; Applebees; Allegacy Federal Credit Union; Burger King; Cook Out; Oak Summit Business Park; Big Daddy's Storage; Northern Quarters Condominiums (residential); Piedmont Federal Credit Union; Nissan dealership; and K&W Cafeteria. Other significant uses include Hanes Brands Headquarters, Maple Chase Golf and Country Club (formerly known as Pinebrook); and Vulcan North Quarry. There is evidence of new office and residential development, and there are few vacancies in the commercial corridor.

NEIGHBORHOOD LAND USE MAP



Demographics

The next table summarizes past, current and projected demographics for the neighborhood. Winston-Salem and Forsyth County data is shown for comparison. The demographic profile for the neighborhood indicates an area that is growing at a modest rate, but outpacing the county. Incomes in the neighborhood are lower with modest income growth projected through 2022. Median housing values in the neighborhood are also slightly lower than the county. Overall, the demographic profile indicates a modestly-growing, modest income area within the market.

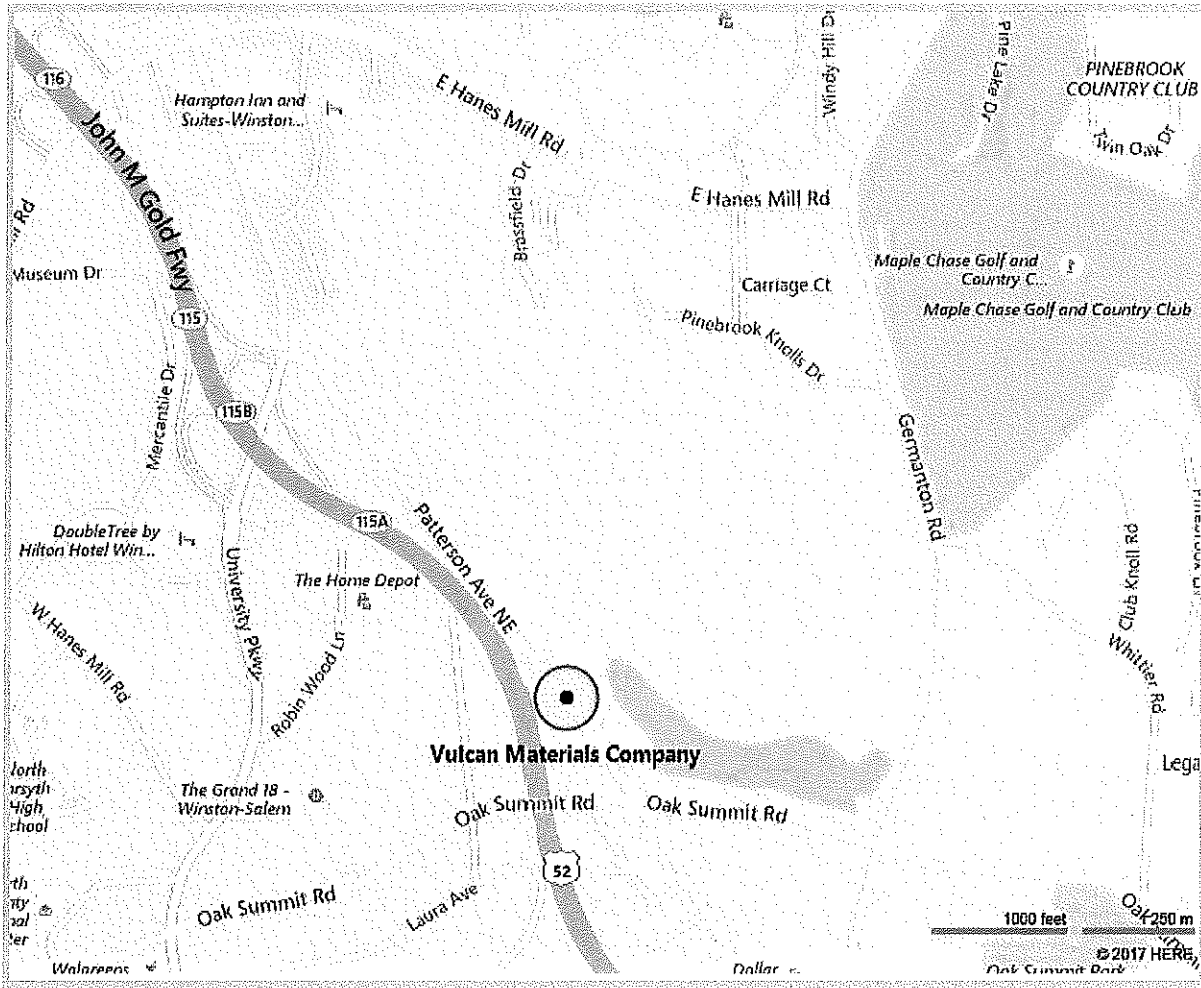
Demographic Comparison				
Center Point: 4401 N. Patterson Avenue, Winston-Salem, Forsyth County, NC				
	1-Mile Radius	3-Mile Radius	Winston- Salem	Forsyth County
<u>Population</u>				
2022 Projection	2,439	40,531	255,598	393,575
2017 Summary	2,279	38,729	244,338	375,124
2010 Census	2,052	36,175	229,516	350,670
Annual % Change 2000-2013	0.81%	0.53%	0.48%	0.52%
Total % Change 2000-2013	11.06%	7.06%	6.46%	6.97%
Projected Annual % Change 2013-2018	1.37%	0.91%	0.91%	0.96%
Projected Total % Change 2013-2018	7.02%	4.65%	4.61%	4.92%
<u>Households</u>				
2022 Projection	976	16,155	102,020	157,567
2017 Summary	908	15,515	97,545	150,289
2010 Census	820	14,708	92,300	141,163
Annual % Change 2000-2013	0.79%	0.41%	0.43%	0.48%
Total % Change 2000-2013	10.73%	5.49%	5.68%	6.46%
Projected Annual % Change 2013-2018	1.45%	0.81%	0.90%	0.95%
Projected Total % Change 2013-2018	7.49%	4.13%	4.59%	4.84%
Number of Persons per Household (2013)	2.51	2.50	2.50	2.50
<u>Median Household Income</u>				
2022 Projection	\$39,903	\$36,841	\$46,040	\$52,804
2017 Summary	\$38,685	\$35,273	\$42,581	\$48,575
Projected Annual % Change 2013-2018	0.62%	0.87%	1.57%	1.68%
Projected Total % Change 2012-2017	3.15%	4.45%	8.12%	8.71%
<u>Median Owner Occupied Housing Values</u>				
2022 Projection	\$125,284	\$126,309	\$160,690	\$176,625
2017 Summary	\$121,235	\$120,875	\$151,101	\$165,028
Projected Annual % Change 2017-2022	0.66%	0.88%	1.24%	1.37%
Projected Total % Change 2017-2022	3.34%	4.50%	6.35%	7.03%

Source: US Census Bureau, Census 2000. ESRI estimates and forecasts for 2017 and 2022.

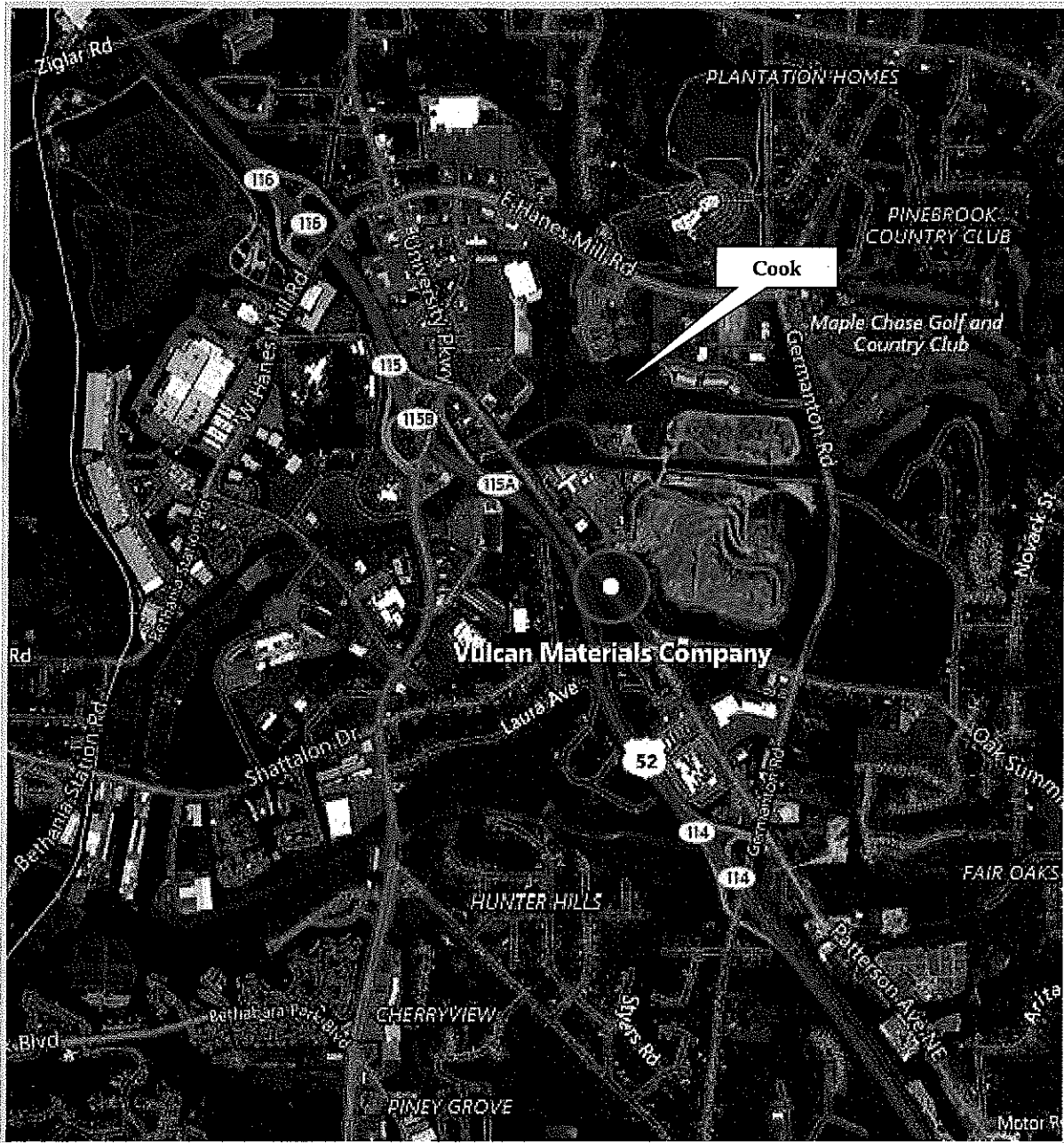
Conclusion

The neighborhood is dominated by commercial use along the primary routes with some accessory industrial uses as well as a golf/country club. The demographic profile is positive for both a 1 and 3-mile radius of the quarry. Median income is modest with slow growth projected through 2022. Overall the outlook of the area is good.

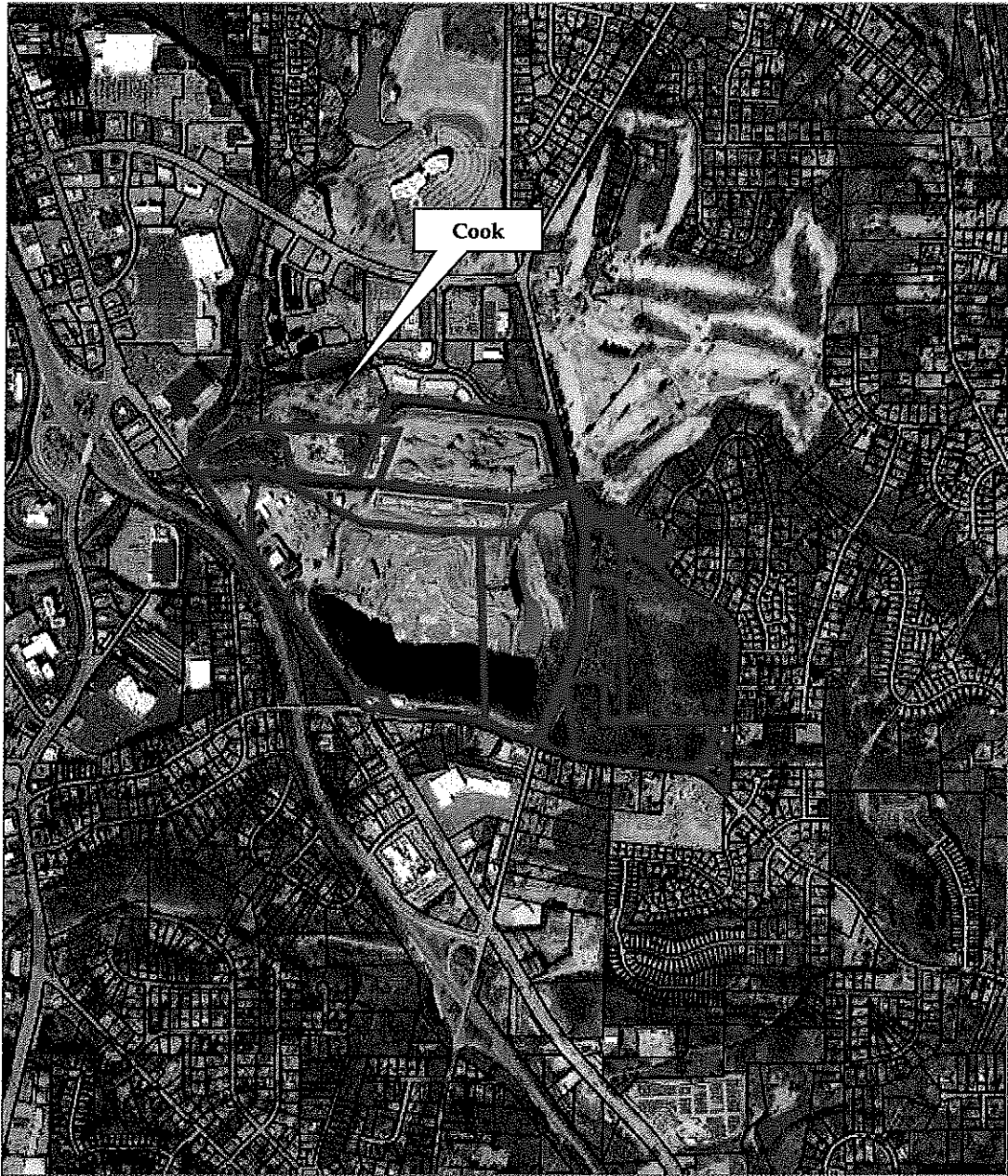
LOCATION MAP



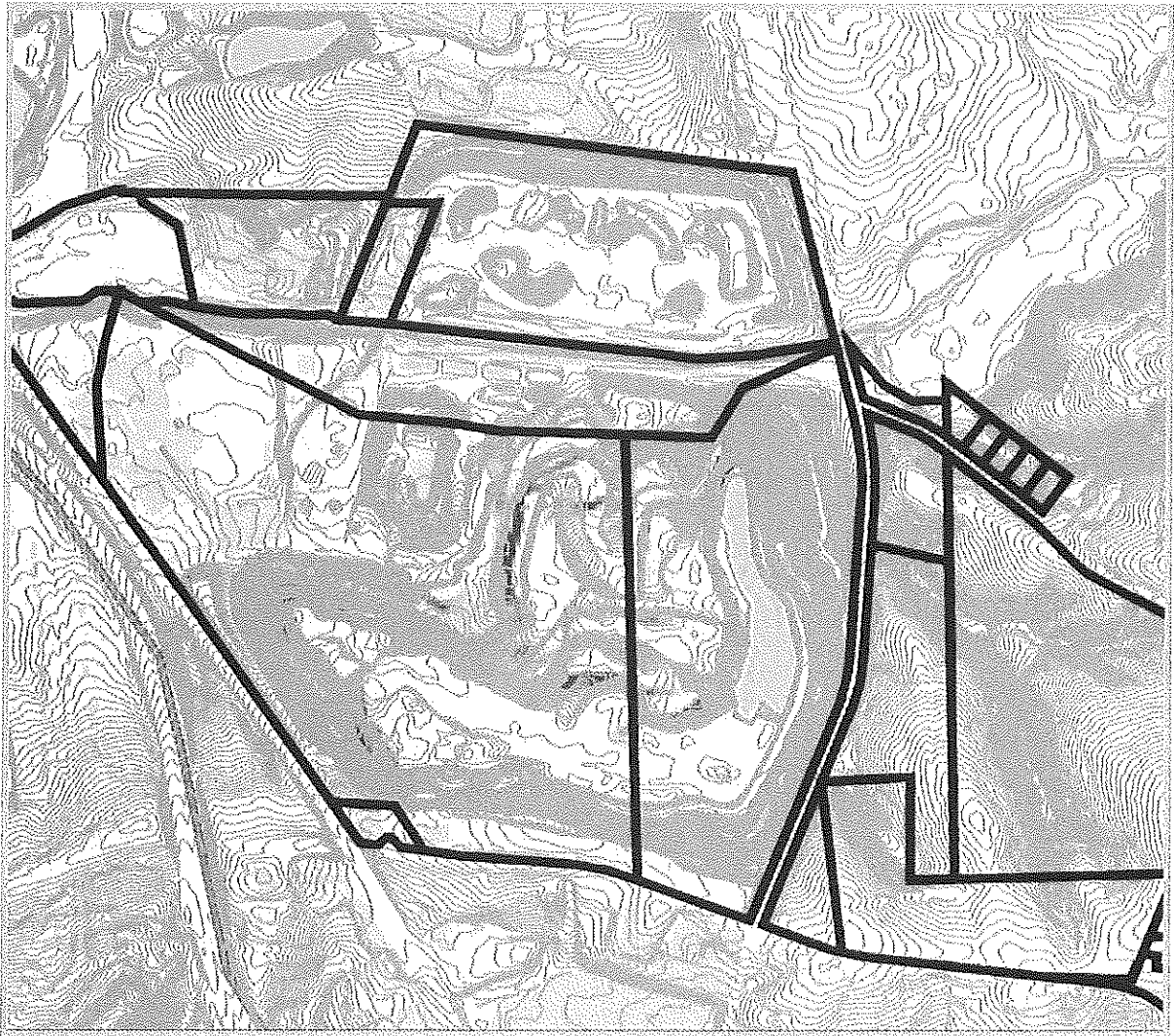
AERIAL LOCATION MAP



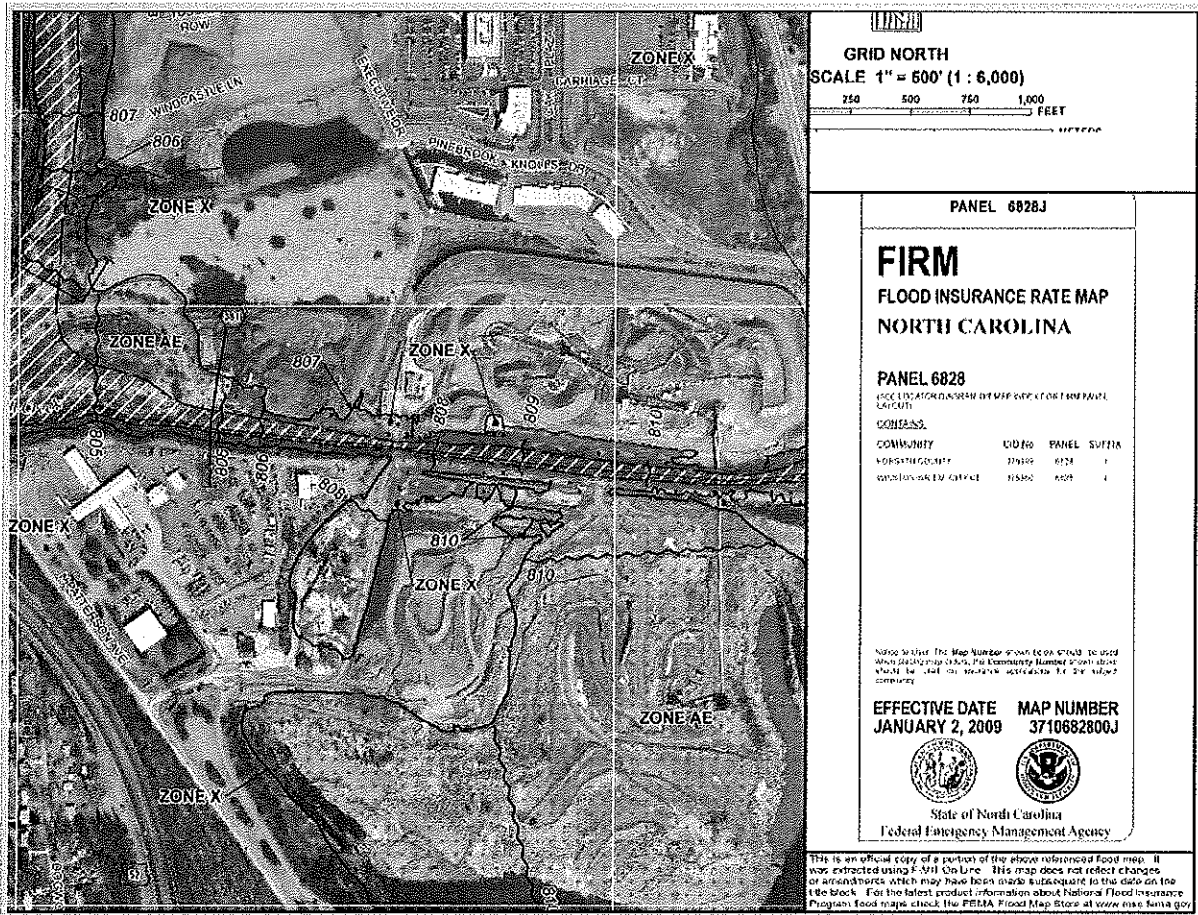
AERIAL TAX MAP



AREA TOPOGRAPHY MAP



**FLOOD HAZARD MAP
FEMA #3710682800J, DATED JANUARY 2, 2009**



SITE ANALYSIS

General

Information for the subject is based on a review of legal descriptions, Forsyth County GIS information, a FEMA floodplain map and a personal inspection.

Location	4401 North Patterson Avenue and 885 Pinebrook Knolls Drive Winston-Salem, Forsyth County, North Carolina 27105
Tax Parcel	Vulcan: a table of tax identification numbers, addresses, zoning classification for each parcel and land area is provided on the next page. Cook: 16.595 Acres
Current Use	Quarry and vacant land. The quarry supplies crushed stone for the construction and maintenance of airports, highways, schools, homes, shopping malls, railroads, dams, erosion control projects, water treatment plants, etc.
Land Area	See table next page
Zoning	Vulcan: GI, General Industrial and RS9, Residential Single Family Cook: GI, General Industrial Winston Salem, Legally conforming
Shape	Both properties are irregular in shape and functional
Frontage	Ample on multiple roads
Access	Vulcan: N. Patterson Ave., Pinebrook Knolls Drive, Germanton Rd., Whittier Road, & Oak Summit Cook: Pinebrook Knolls Drive
Topography	Rolling
Floodplain/Water Quality Buffers	FEMA Map Panel 3710682800J, dated January 2, 2009 Located in Zone X and AE. Zone X is an area of minimal flood hazard. Zone AE are areas that will be inundated by the flood event having a 1-percent chance of being equaled or exceeded in any given year. The 1-percent annual chance flood is also referred to as the base flood or 100-year flood. See flood map for location. Mill Creek traverses the Vulcan site in an east/west direction along the northern portion of the site.
Watershed	None known
Wetlands	No wetland studies were provided and the report assumes there are no wetlands.

Soil & Environmental Concerns

The North Quarry is a N.C. Wildlife Federation Wildlife and Industry Together (WAIT) site. No soil or environmental reports were provided. The values reported are based on the assumption that the subject site meets all Environmental Protection Agency requirements and regulations.

Utilities

The site has access to all municipal and private utilities.

Easements & Encroachments

There are typical utility and road right-of-way easements that are common and not detrimental for development.

Existing Improvements

The Vulcan site is improved with a quarry and related building improvements. The Cook site is vacant.

Conclusion

All characteristics of the site are functionally adequate for development to its highest and best use.

The Cook site includes 16.595 acres. Once purchased the total land area will be 313.295 acres. An increase of 5.6%.

DESCRIPTION OF THE IMPROVEMENTS

GENERAL DESCRIPTION

The description of the improvements is limited, as detailed building plans are not available. The description is based on a physical inspection of the site, as well as tax records. Following is a list of improvements at the Vulcan site. The Cook site is vacant with no improvements.

List of Improvements - Vulcan North Quarry

<u>Tax ID</u>	<u>Location Address</u>	<u>Description</u>	<u>Area SF</u>	<u>Year Built</u>
1 6828-56-1801	0 Patterson Ave	Vacant Industrial Land	0	NA
2 6828-57-1282	0 Patterson Ave	Vacant Industrial Land	0	NA
3 6828-64-5741	0 Oak Summit Rd.	Quality Control Lab	1,040	1983
		Service Garage	6,840	1966
		Storage Warehouse	4,000	1983
4 6828-65-6793	4341 N. Patterson Ave.	2-Story Office	28,908	1972
		Storage Warehouse	24,160	1967
		Service Garage	4,200	1967
		Paint Shop	2,100	1967
		Delivery Department	4,254	1969
		Truck Shop/Service Garage	3,520	1965
		Storage Warehouse	5,000	1977
		Geo-Earth Science Ed Bldg	2,040	1950
		Electric Shop	1,395	1980
		Storage Warehouse	9,000	1993
		Office/Cnt/Svc/Tmg Facility	1,280	2006
5 6828-66-9624	0 N. Patterson Ave.	Service Garage	4,600	1985
6 6828-67-0277	4675 N. Patterson Ave.	Office	404	1986
7 6828-67-5176	0 Patterson Ave	Vacant Industrial Land	0	NA
8 6828-77-5276	0 Germanton Rd.	Processing & Sales Office	2,799	1999
9 6828-85-2407	0 Germanton Rd.	Vacant Industrial Land	0	NA
10 6828-85-8441	0 Germanton Rd.	Residential Acreage	0	NA
11 6828-86-9128	5315 Germanton Rd.	Residential Acreage	0	NA
12 6828-94-4257	0 Oak Summit Rd.	Residential Acreage	0	NA
13 6828-95-6195	0 Whittier Rd.	Residential Acreage	0	NA
14 6828-96-1561	0 Whittier Rd.	Residential Lot	0	NA
15 6828-96-2641	0 Whittier Rd.	Residential Lot	0	NA
16 6828-96-3364	0 Whittier Rd.	Residential Lot	0	NA
17 6828-96-4247	0 Whittier Rd.	Residential Lot	0	NA
18 6828-96-5230	0 Whittier Rd.	Residential Lot	0	NA
19 6838-03-1906	355 Oak Summit Rd.	Residential Acreage	0	NA
20 6838-04-1256	4320 Whittier Rd.	Single Family Residence	1,390	1963
Totals			106,930	

* Data is from tax records and may not be accurate

The owners of the quarry state that the facility meets all performance standards in regards to air, water, surface and sound. While the appraiser is unqualified to make those determinations, there was no apparent evidence to the contrary of the owner's statement.

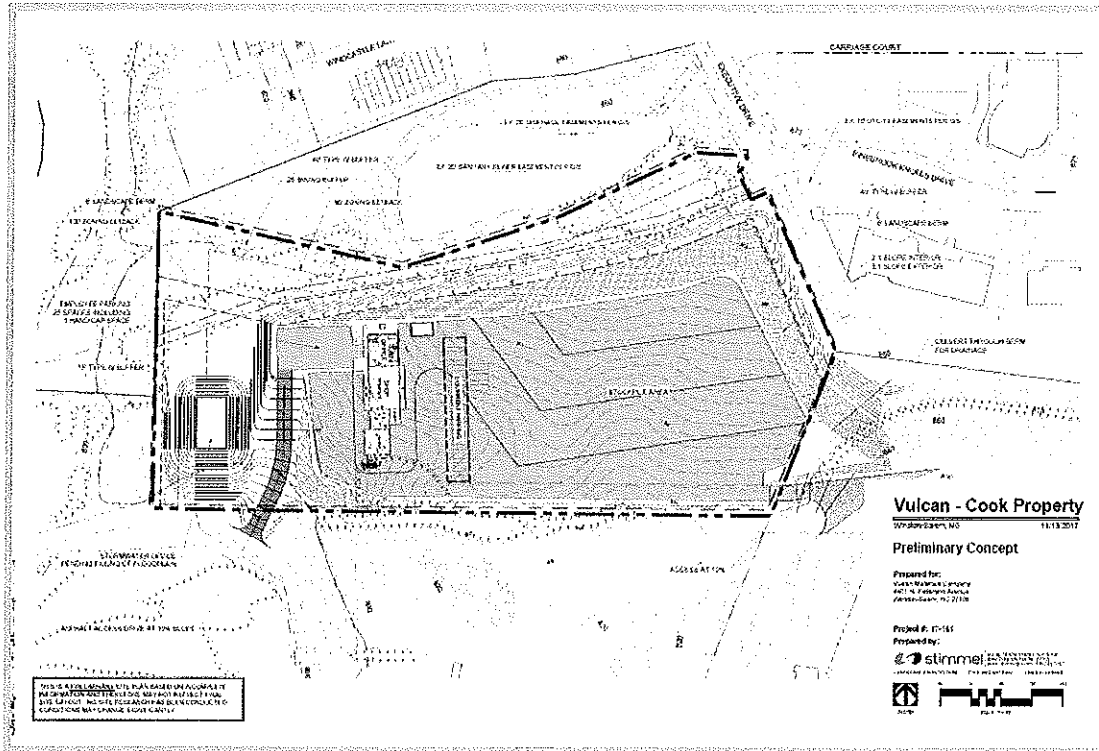
The site also includes a large pit and related excavation equipment. The development of the quarry has been and will continue to be gradual over a number of years. The development will involve the pit growing deeper and wider in a westerly direction towards N. Patterson Avenue.

Vulcan plans to purchase the Cook property to the north. The sale is contingent upon the business park to the east removing the Cook site from the owner's association. This is likely to occur and is assumed the separation will take place. Once the sale is complete, Vulcan plans to develop the site with an office/shop/office warehouse building; an area for equipment parking; a stockpile area; storm water detention pond, as well as a large buffer area along the northern and eastern borders.

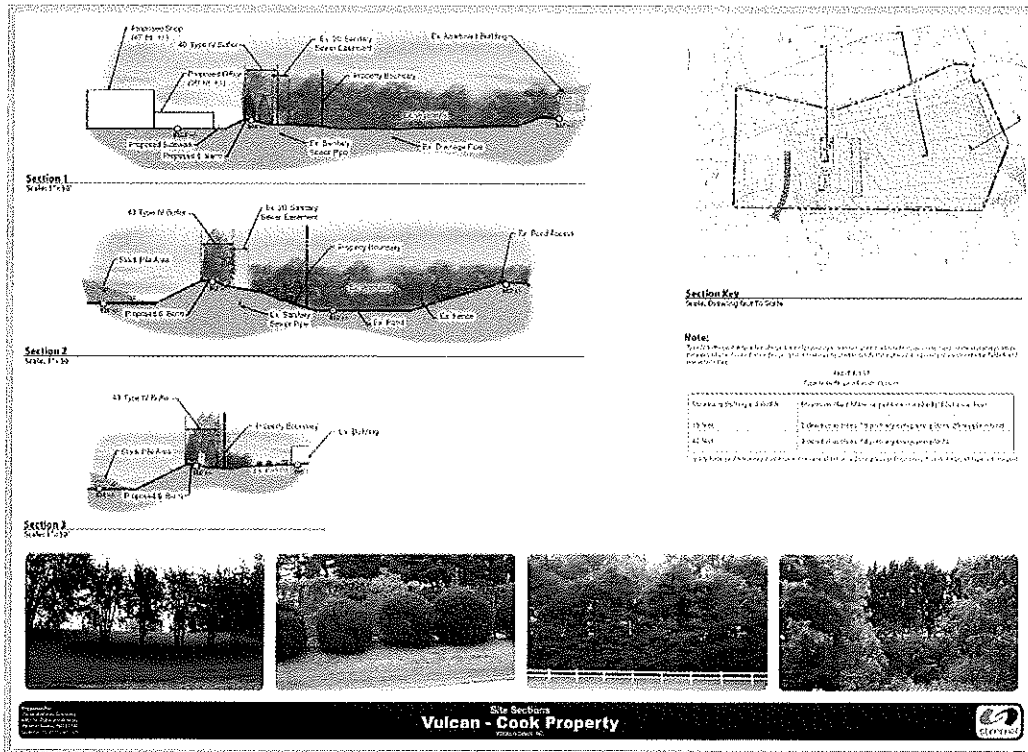
This site will be a small addition to the quarry site. There will be no blasting, drilling, or crushing on the Cook site. This will enable the quarry to expand westward where there are currently office and warehouse buildings that will be replaced on the Cook site. There will be no connectivity of the Cook site with the adjoining business or the adjoining multi-family residential property. There is an existing detention pond at the northern border of the Cook site which will further buffer the site.

A preliminary concept plan and site sections are provided on the next pages.

PRELIMINARY CONCEPT PLAN



SITE SECTIONS



SUBJECT PHOTOS



VIEW OF MAIN OFFICE



VIEW OF MAINTENANCE SHOP



VIEW OF QUARRY SITE



PRODUCTION AND SALES OFFICE



**STOCKPILE AREA
(SIMILAR TO BE PLACED ON COOK PROPERTY)**



TYPICAL WAREHOUSE BUILDING

SUBJECT PHOTOS



VIEW OF QUARRY LOOKING NORTH



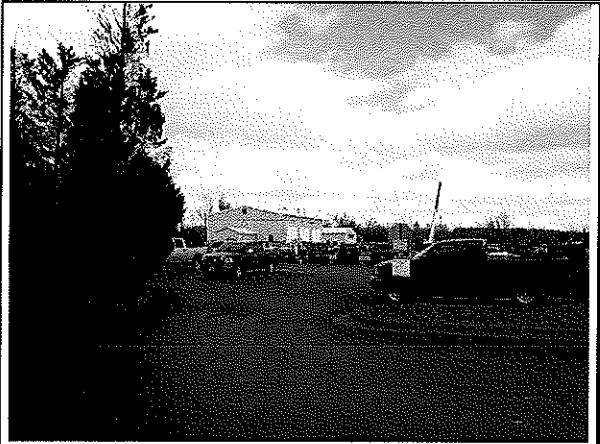
VIEW OF QUARRY



VIEW QUARRY PROPERTY



VIEW OF GEO-EARTH EDUCATION BLDG.



VIEW OF WELDING SHOP



VIEW OF OFFICE/TRAINING FACILITY

SUBJECT PHOTOS



COOK PROPERTY FACING NORTH



COOK PROPERTY FACING SOUTH



VIEW OF DETENTION POND ON ADJOINING SITE TO THE NORTH FACING SOUTH TOWARDS COOK & QUARRY



VIEW OF QUARRY BUFFER FROM ADJOINING BUSINESS PARK FACING SW TOWARDS THE QUARRY



COOK PROPERTY, FACING NE TOWARDS ASPHALT PLANT



COOK PROPERTY, FACING WEST

SUBJECT PHOTOS



N. PATTERSON AVE, FACING NORTH



N. PATTERSON AVE., FACING SOUTH



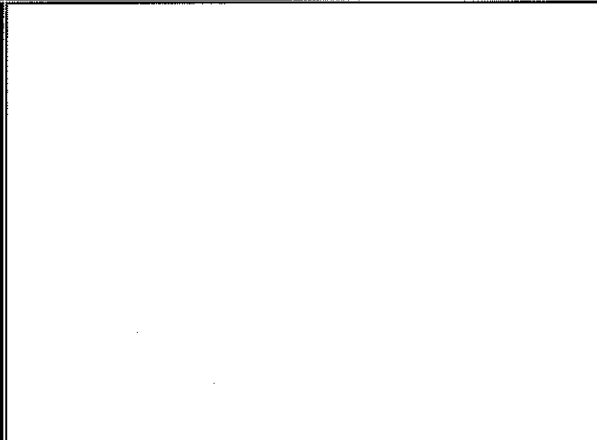
GERMANTON ROAD, FACING NORTH



GERMANTON ROAD, FACING SOUTH



VIEW OF GATE 1, N. PATTERSON AVE.



ZONING/LAND USE CONTROL

Approximately 216 acres of the Vulcan property is zoned GI, General Industrial. The remaining 81 acres is zoned RS9, Residential Single Family. Almost all of the RS9 property is vacant, and is located east of Highway 8 (Germanton Rd.). Most of the GI land is improved with the quarry, and associated operations. There is some vacant land. The Cook property is zoned GI. Following is a summary of both zoning classifications.

GI-General Industrial

The GI District is primarily intended to accommodate a wide range of assembling, fabricating, and manufacturing activities. The district is established for the purpose of designating appropriate locations and establishing development regulations for uses which may have significant environmental impacts.

RS-9-Residential Single Family

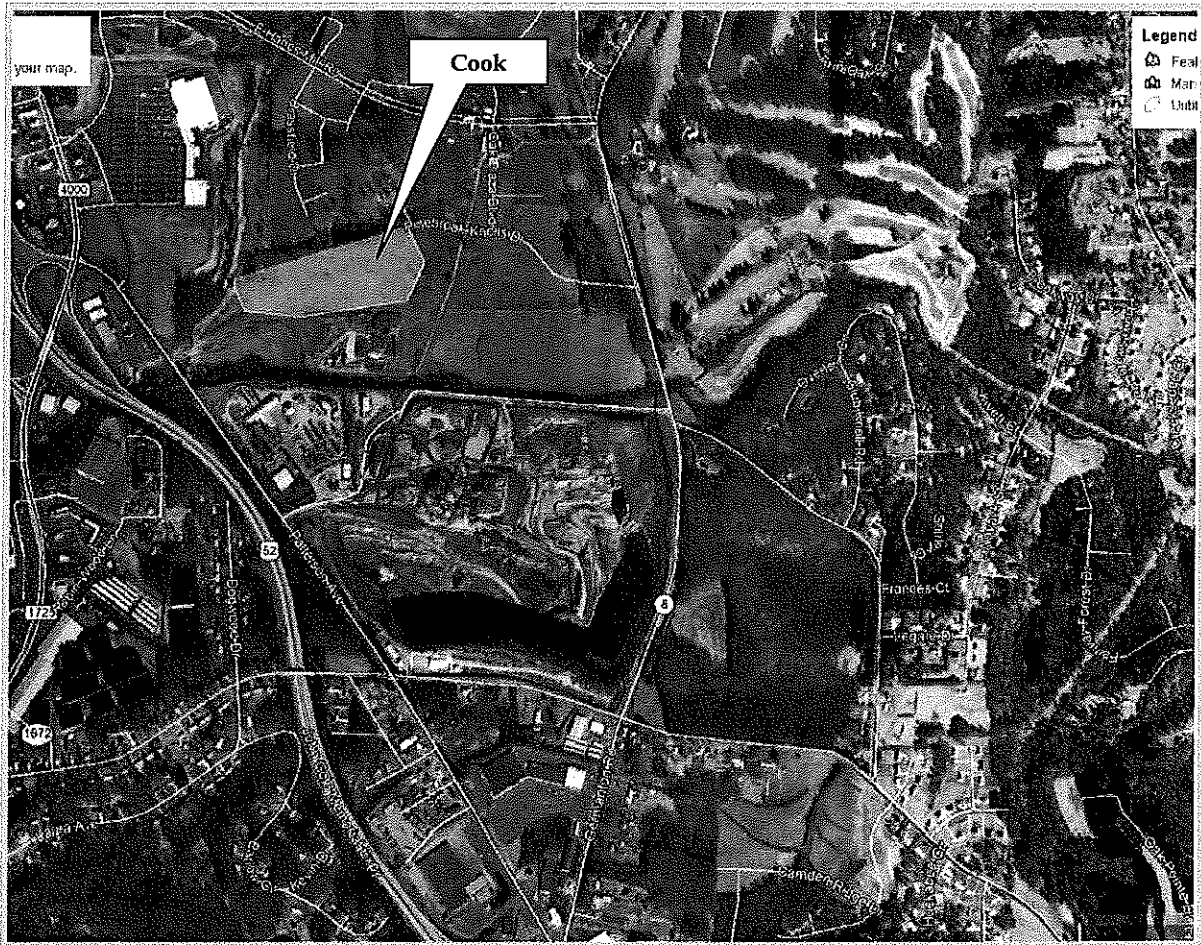
The RS-9 District is primarily intended to accommodate relatively high density single family detached dwellings in urban areas. The minimum lot size in this district is 9,000 square feet (0.21 acre). This district is intended for application in GMAs 2, 3 and 4A.

Under the GI zoning, a mining, quarry or extractive industry is permitted providing an elected body grants a special use permit. The quarry is legally conforming. The RS9 zoning is primarily for residential development. Since Vulcan's RS9 land is mostly vacant, it too is legally conforming.

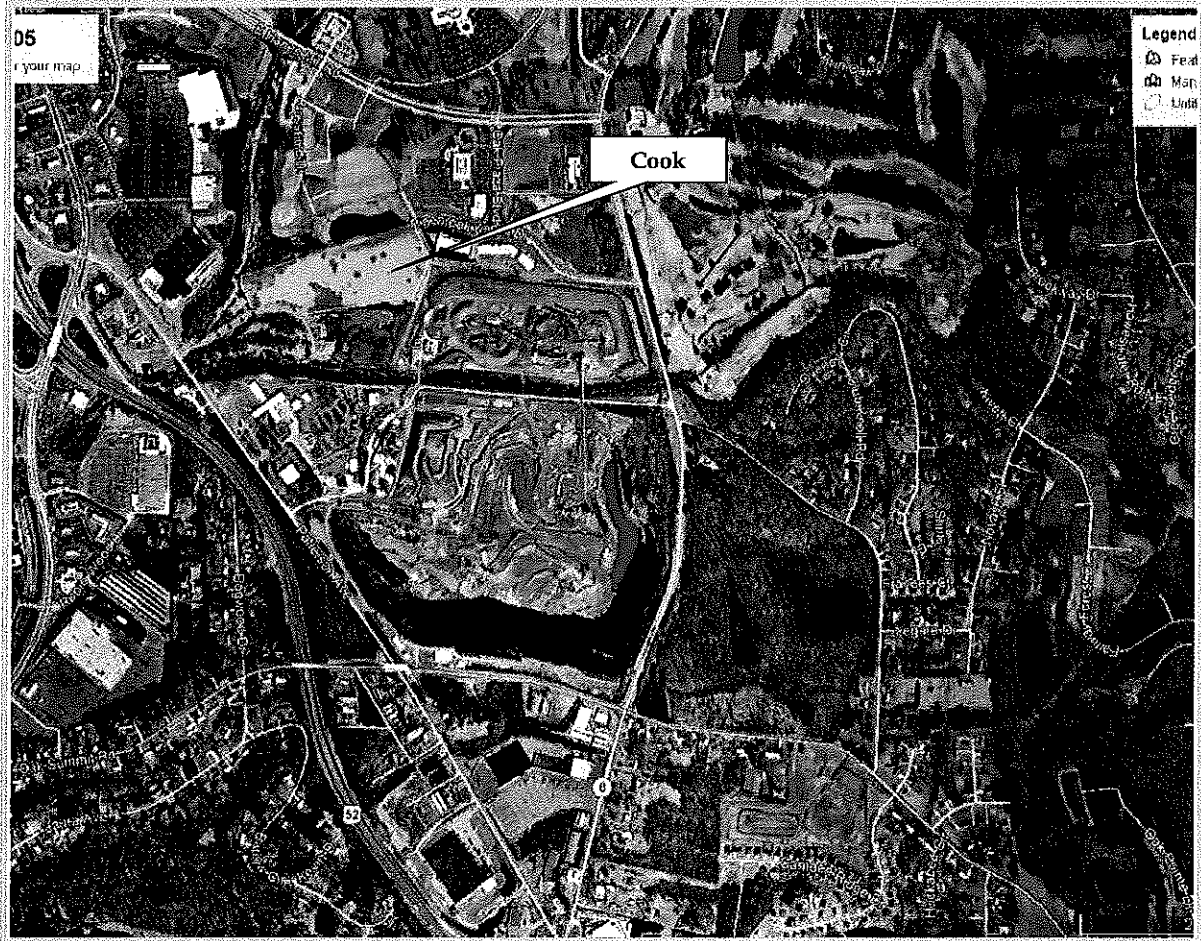
The Cook land is zoned GI, and is vacant. Vulcan plans to develop office and warehouse uses as well as equipment parking and a stockpile area on this site. Based on a review of the Winston-Salem Unified Development Ordinance (UDO), these uses would require a permit from a zoning officer, and also requires permission from the City Council.

The immediate area is developed with commercial, industrial, institutional (golf club), and residential uses. The North Quarry started operation in 1946. The following pages shows aerial photographs of the area surrounding the quarry. The photos show that the quarry enlarged over time, as well as commercial and residential development either adjoining or in proximity to the quarry. It is noted that the large vacant tract of land located immediately east of the subject across Germanton Road is owned by the Vulcan Lands, Inc.

AERIAL MAP MARCH 1998



AERIAL MAP FEBRUARY 2005



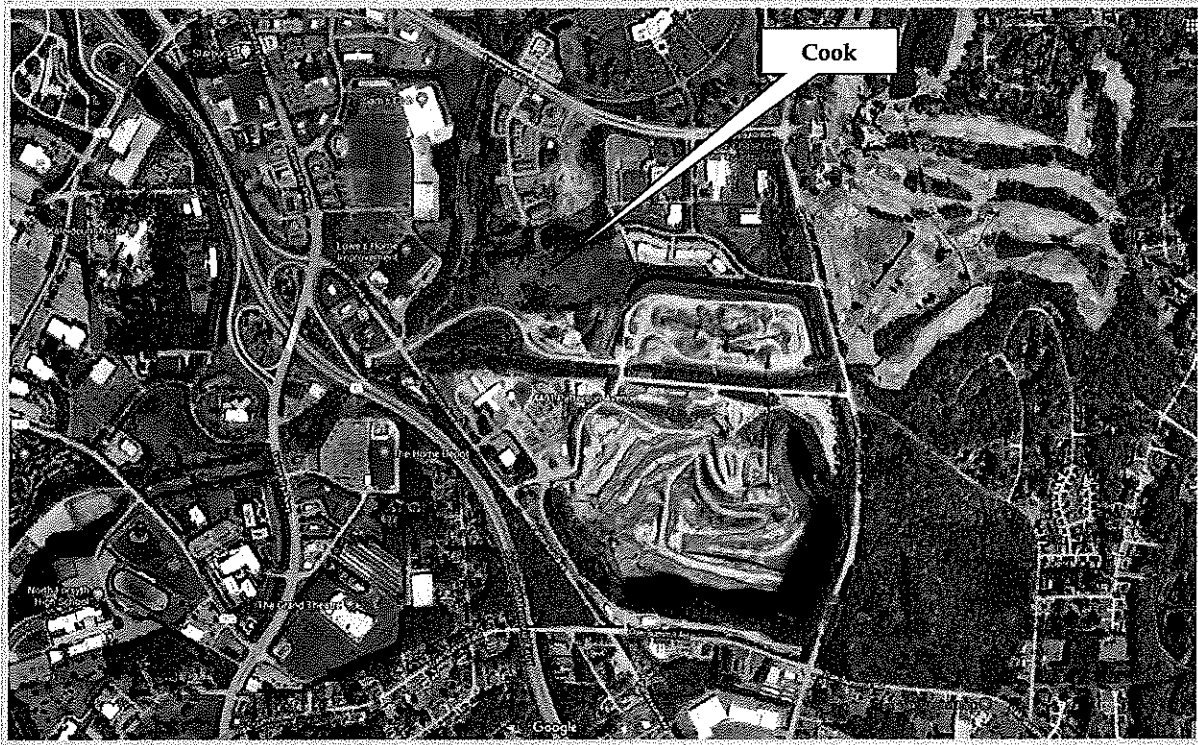
AERIAL MAP OCTOBER 2009



AERIAL MAP APRIL 2013

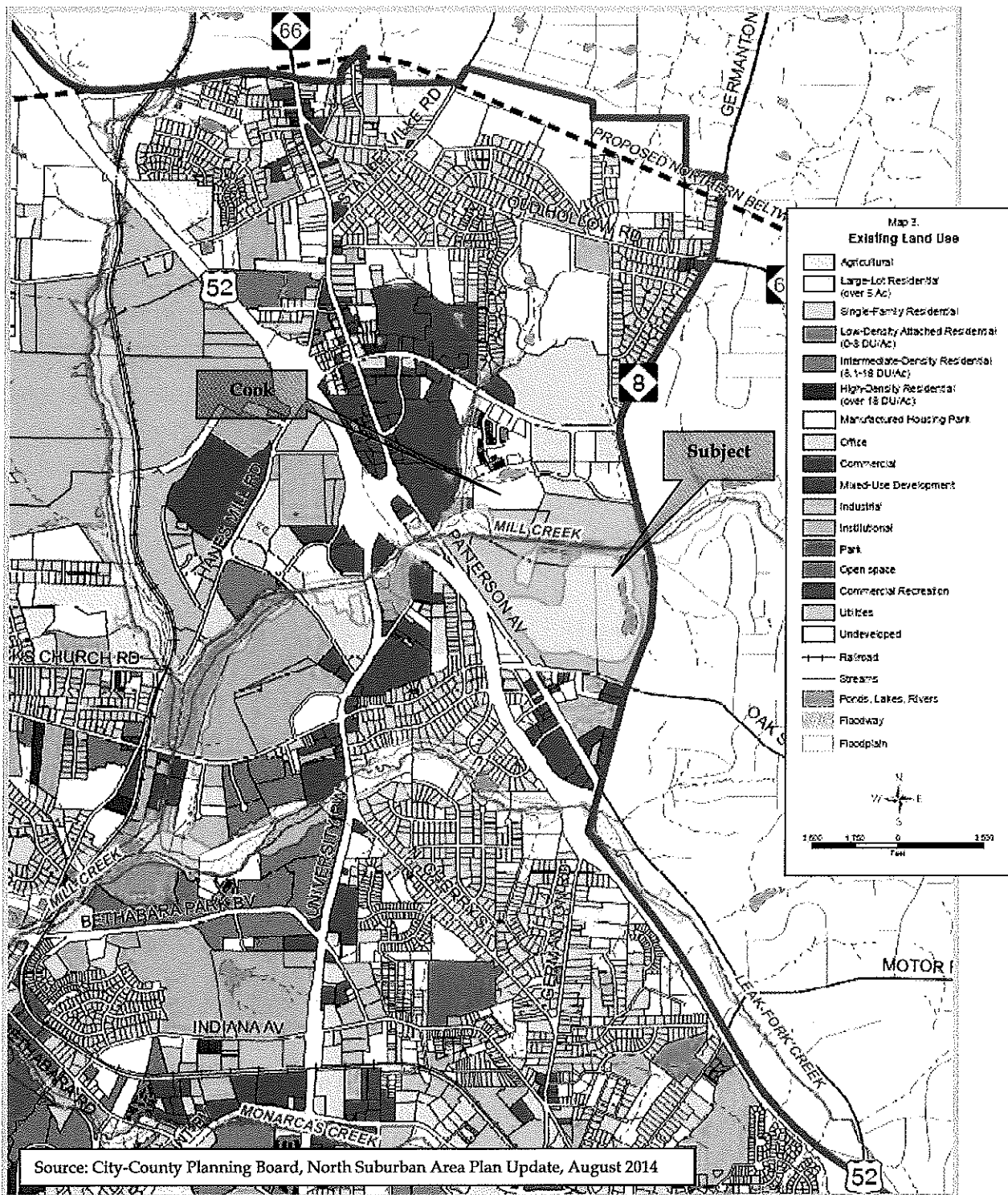


AERIAL MAP CURRENT

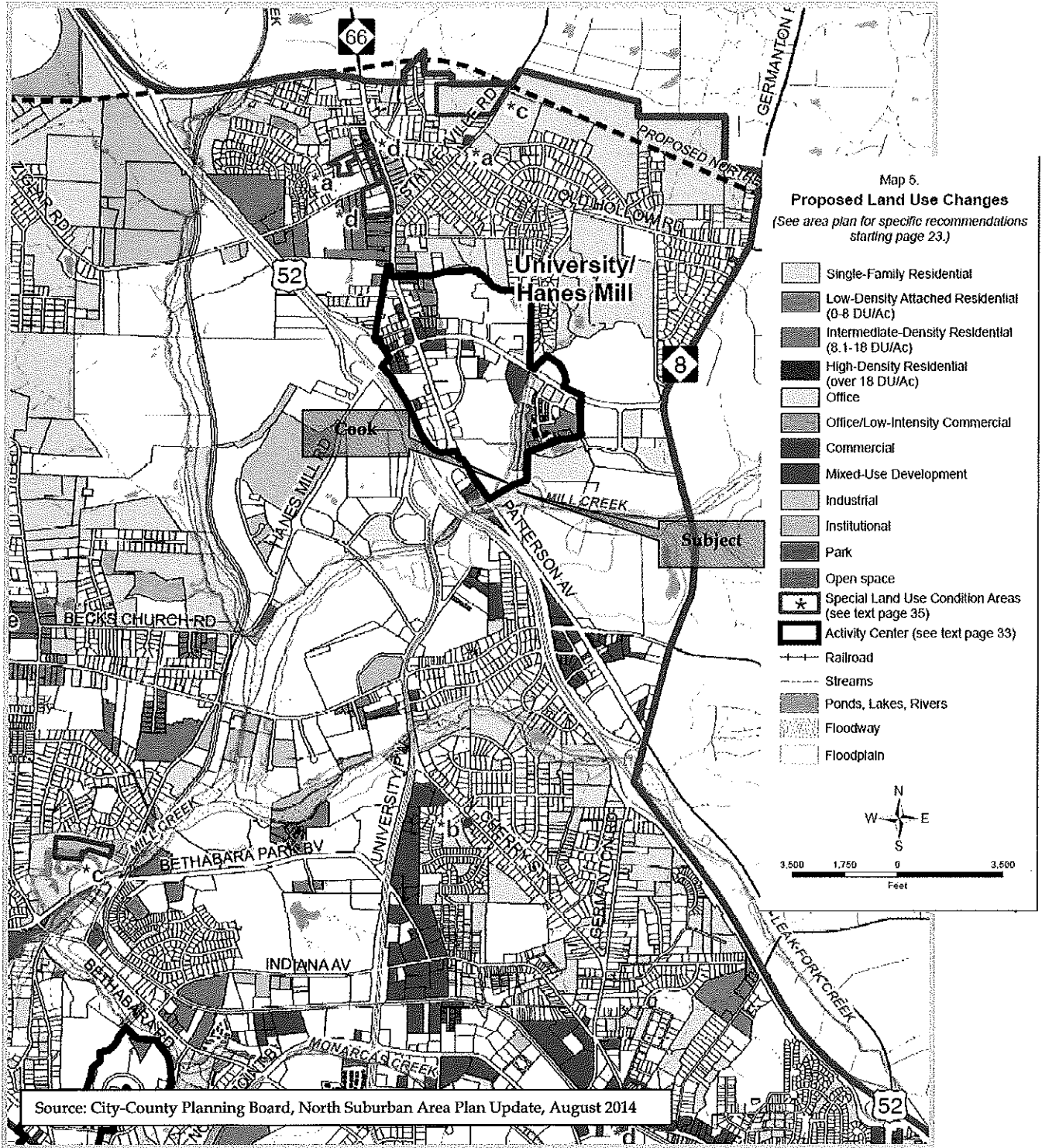


Following is a map of the existing land uses as of August 2014 that was prepared for the City-County Planning Commission. In addition, a Proposed Land Use Changes map is also included. Aerial maps of existing uses follow that.

EXISTING LAND USES



PROPOSED LAND USE CHANGES



Plan Recommendations



University/Hanes Mill Activity Center

The University/Hanes Mill Activity Center (Figure 5) contains approximately 280 acres and is located at the intersection of University Parkway and Hanes Mill Road. The majority of this activity center is zoned for commercial use, but also includes multifamily, single-family, and office zoning districts. The area has a variety of land uses including many retail stores, a hotel, restaurants, and several banks serving the immediate neighborhoods as well as the surrounding area.

Before the recent recession, this activity center was a hotbed of new development. Northern Quarters, along the eastern edge of the activity center, was initially approved as a pedestrian-friendly mixed-use development but has since developed in a more typical auto-oriented fashion. The activity center's several big box retail stores and large parking lots could one day be redeveloped by adding residential and mixed-use development with internal street networks. This plan recommends the following:

- Continue strengthening the existing commercial areas through public and private improvements.
- Keep the existing boundaries of the commercial district. No additional rezoning to nonresidential uses, except for the two areas described below, should be allowed in order to protect homes surrounding this activity center.
- Incorporate more mixed-use development within the activity center, either through redevelopment or new development.
- Strengthen pedestrian connections between residential and commercial uses.

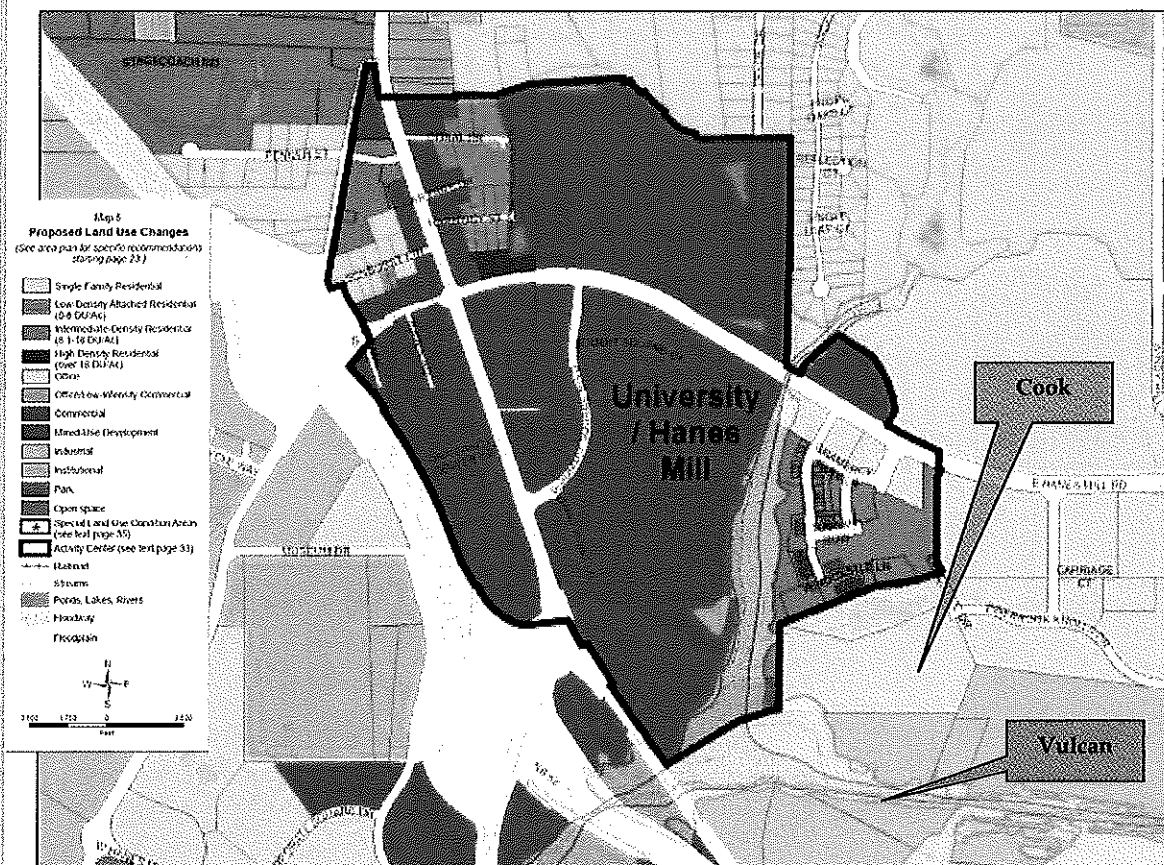


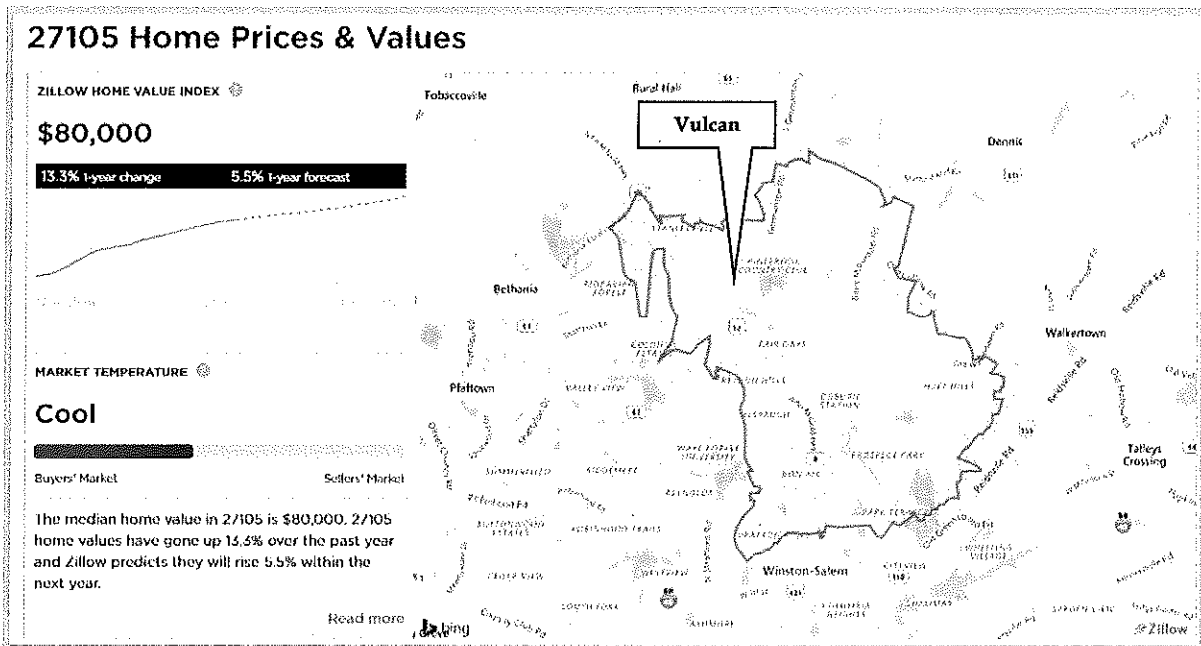
Figure 5. University/Hanes Mill Activity Center

Source: City-County Planning Board, North Suburban Area Plan Update, August 2014

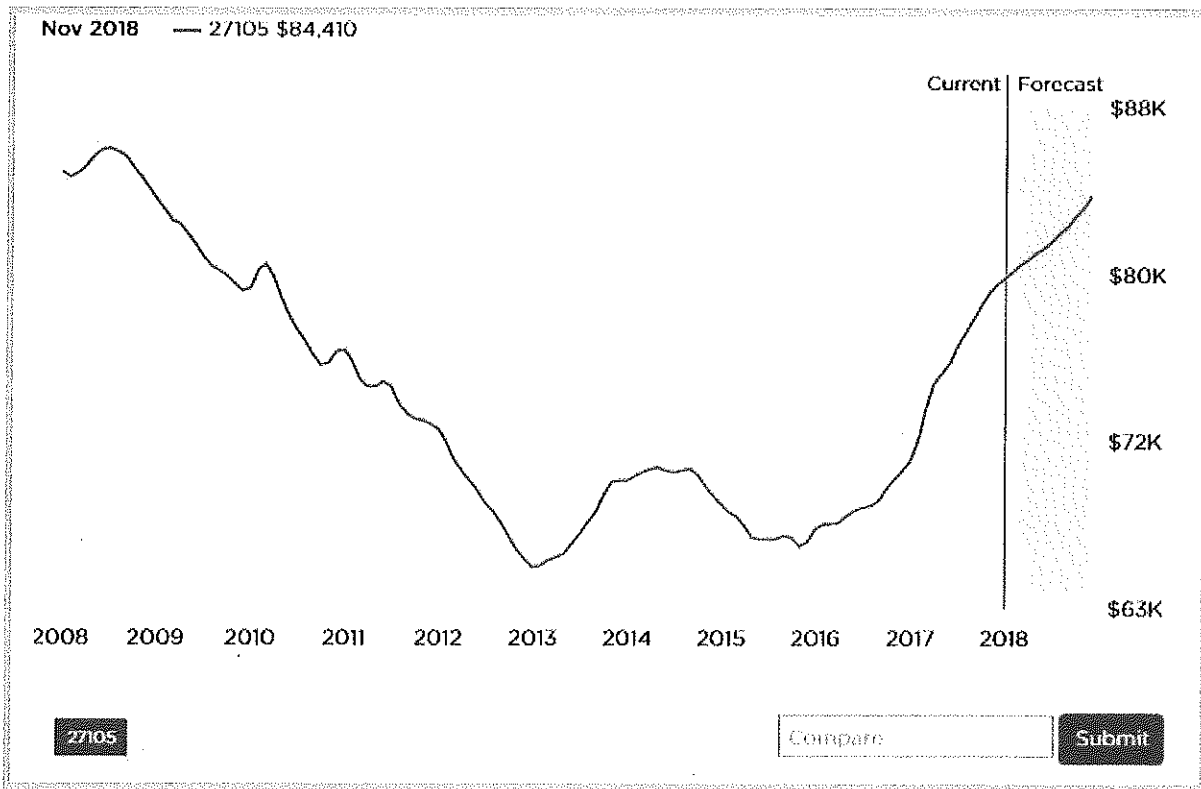
The Proposed Land Use for the Cook property is for office development. Vulcan's plans for development on that site would correspond with the plan. It is noted that more single family development is desired north of University/Hanes Mill. Intermediate density residential is desired just north of the Cook property (area of Vulcan proposed expansion).

I researched the median home sales prices in the 29730 ZIP Code where Vulcan is located. The source is Zillow.

27105 ZIP CODE AREA



HISTORICAL MEDIAN HOME VALUES, 27105 ZIP CODE AREA



Median home prices were rising up until 2008, and then began a decline over 5 years. This is attributed to the recession. Recovery began in 2013, and median home values in the 27105 Zip Code area have shown mixed results since then with a predicted 5.5% increase over the next year. The median home value went up 13.3% over the past year. The recession had a profound impact on the area. However, the future outlook is positive.

CONCLUSION

There are several findings of fact and assumptions that are considered. This report assumes that Vulcan lands, Inc. will meet all performance standards and that all zoning, and/or governmental regulations, will be met. In order for Vulcan to win approval from the City Council the following criteria will have to be met per the UDO (Section 6.1.5(f)).

1. *The Use will not materially endanger public health and safety.*

Based on the plans that were provided and included in this report, the proposed addition (Cook Property) consists of 16.595 acres and will be used primarily for office and warehouse uses, as well as stockpile and vehicle parking. There will be no mining operations on the Cook property. The overall land area currently owned by Vulcan will increase about 5%. There will be a sufficient buffer between adjoining properties not owned by Vulcan. Further, the quarry has had a long history of operation in this area and has complied with all local and state laws. It is assumed the company will continue to operate in the same professional manner. Neither the size nor the proposed use will endanger public health and safety.

2. *Use meets all required conditions.*

Vulcan's proposed development was discussed earlier in the report and a site plan was provided. The proposed plan includes office and warehouse uses, as well as stockpile and equipment parking. This use conforms to the existing zoning regulations and complements the Proposed Land Use changes for the area. This report assumes that the proposed expansion would meet all regulations and conditions set forth by the city, county, and federal government. The proposed site plan indicates significant buffers for the adjoining property owners to the north and east which should eliminate any potential disturbances.

3. *Use will not substantially injure the value of adjoining or abutting property; and,*

The quarry has existed since at least 1946, and includes substantial screening in the form of a large berm and wooded areas from the surrounding land users. It is clear from historical aerial photos presented earlier that development has continued to occur next to and in proximity to the quarry for a number of years. Based on a physical inspection, it was impossible to see the quarry operation from adjoining properties or roads that the property fronts. No noise could be heard when standing on adjoining properties. Further, the site is a member of the North Carolina Wildlife Federation's W.A.I.T. program to protect a wildlife habitat. Evidence of wildlife was apparent at the inspection. The quarry intends to continue with the W.A.I.T. program and the addition will not have an impact on it. To the contrary, it will provide additional managed habitat (buffers and berms) to further support wildlife which would otherwise be affected by other types of commercial or residential development.

A study of historical median home prices located in the same ZIP Code as Vulcan was presented earlier showed that median home values have been mixed since 2013. This is mostly attributed to a slow recovery from the recession. Median home values increased about 13% in the last year and are expected to increase another 5% in 2018.

As further evidence of impact on property values, the historical assessed value of the Cook property, which adjoins the existing quarry, as well as surrounding properties was studied. A random sample was selected to represent all property types.

Assessed values are based on market values. According to Forsyth County. Only 7% of the county's tax parcels increased in value from 2009 to 2013. Overall values in 2013 declined nearly 11% due to market conditions. The county just completed a revaluation that became effective in 2017. As whole, assessed values increased about 6% since 2013. The county reported that the market has not moved much, nor have assessed values since 2013. A summary of historical assessed values for nearby property is provided on the following table.

History of Assessed Property Values Surrounding Properties

<u>Tax Parcel/Owner</u>	<u>2009 Total Assessment</u>	<u>2013 Total Assessment</u>	<u>2017 Total Assessment</u>	<u>'09-'13 % Change</u>	<u>'09-'13 % Change</u>
1 6828-67-0736/Wilson Cook Medical	\$895,900	\$796,300	\$876,000	-11.12%	10.01%
2 6828-58-9471/ Gateway Mgmt (Tuscon Row) COA	NA	\$139,900	\$139,900	NA	0.00%
3 6828-58-9410 Chante Black (Res. Condo)	\$78,100	\$44,500	\$36,400	-43.02%	-18.20%
4 6828-58-7459/Megan Culler (Res. Condo)	\$116,300	\$97,500	\$89,000	-16.17%	-8.72%
5 6828-78-9003/Hanes Brands Land	\$547,400	\$485,600	\$529,800	-11.29%	9.10%
6 6828-78-4206/Medical Solutions Compounding	\$260,900	\$174,900	\$202,000	-32.96%	15.49%
7 6828-78-7249/RAM NC, LLC (Industrial)	\$1,291,700	\$1,170,000	\$1,257,600	-9.42%	7.49%
8 6828-55-2552/Ronald Gomez (Single Family)	\$64,800	\$55,300	\$57,500	-14.66%	3.98%
9 6828-46-8085/Susan Kimel (Single Family)	\$103,200	\$79,500	\$80,000	-22.97%	0.63%
10 6828-47-3118/Reynolds Carolina Fed Credit Union	\$1,970,400	\$1,933,200	\$2,004,300	-1.89%	3.68%
11 6828-47-1416/NC Steak Burgers (Steak & Shake)	\$1,352,000	\$1,471,500	\$1,626,200	8.84%	10.51%
12 6828-59-9243/Piedmont Fed Savings Bank	\$1,298,300	\$1,199,600	\$1,327,700	-7.60%	10.68%
13 6828-04-4935/Cherie Bottoms (Single Family)	\$156,400	\$143,700	\$137,500	-8.12%	-4.31%
14 6828-04-4335/Lois Maple (Single Family)	\$180,600	\$175,900	\$175,900	-2.60%	0.00%
15 6828-93-4744/Martha Verna Hamm Johnson	\$164,600	\$229,400	\$312,200	39.37%	36.09%
16 6838-05-3561/Mendez/Mendoza	\$162,300	\$130,400	\$131,100	-19.65%	0.54%

SOURCE: *Forsyth County Tax Assessor's Office*

NOTES
NA = Parcel did not exist at that time.

In all but one instance, property values for the sample decreased, which supports the information provided by the county indicating the cause was due to market conditions. For the most recent revaluation, all but 3 properties increased in value or remained the same since 2013. The properties with declines are all residentially oriented. There has been evidence of increasing median home values in the last year. The 2017 sample of assessments indicate improvement in the market.

As the subject has been located in the area since 1946, the trends in assessed values show that Vulcan's quarry has not adversely impacted its surrounding neighbors or property values. The addition planned for the site should have a minimal impact on how the site is currently operated, and should not adversely affect its neighbors.

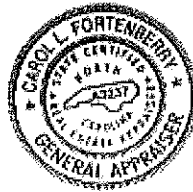
4. *Use will be in "harmony with the area in which it is to be located and in general conformity with Legacy*

The current use as a quarry is legally permissible. The long range plan indicates office/industrial use for the Cook expansion parcel. The proposed use will conform to the zoning regulations. Considering that the quarry has existed for such a long time, in some cases before the properties that abut it, demonstrates that as a well-buffered industrial use, it has been in harmony with the area. The proposed addition will not alter the subject's industrial use, and would be compatible with the area.

The proposed addition will have no impact on the neighboring properties. Therefore, the use would satisfy condition number 3 of the UDO as stated above.

Carol L. Fortenberry

Carol L. Fortenberry, MAI
North Carolina State Certified General Appraiser #A3237
704-375-1032 x12
carol@fortenberrylambert.com



ADDENDA

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report has been made with the following general assumptions and limiting conditions:

LIMIT OF LIABILITY

The liability of **Fortenberry Lambert, Inc.** is limited only to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. Further, client will forever indemnify and hold **Fortenberry Lambert, Inc.**, its officers, and employees harmless from any claims by third parties related in any way to the appraisal. Third parties shall include limited partners of client if client is a partnership and stockholders of client if client is a corporation, and all lenders, tenants, past owners, successors, assigns, transferees, and spouses of client. **Fortenberry Lambert, Inc.** will not be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property, physically, financially, and/or legally.

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Possession of this report or any copy of this report does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report remains the property of **Fortenberry Lambert, Inc.** for the use of the client, the fee being for the analytical services only.

The bylaws and regulations of the Appraisal Institute require each member and candidate to control the use and distribution of each report signed by such member or candidate; except, however, the client may distribute copies of this report in its entirety to such third parties as he may select; however, selected portions of this report shall not be given to third parties without the prior written consent of the signatories of this report. Neither all nor any part of this report shall be disseminated to the general public by the use of advertising media, public relations, news, sales or other media for public communication without the prior written consent of **Fortenberry Lambert, Inc.**

CONFIDENTIALITY

This report is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by **Fortenberry Lambert, Inc.** whose signatures appear on the report. No change of any item in the report shall be made by anyone other than **Fortenberry Lambert, Inc.** **Fortenberry Lambert, Inc.** shall have no responsibility if any such unauthorized change is made.

Fortenberry Lambert, Inc. may not divulge the material contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designee as specified in writing except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.

TRADE SECRETS

This report was obtained from **Fortenberry Lambert, Inc.** and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempted from disclosure under 5 USC. 552 (b) (4) of the Uniform Commercial Code **Fortenberry Lambert, Inc.** shall be notified of any request to reproduce this report in whole or in part.

INFORMATION USED

The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.

TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR REPORT SERVICES

The contract for report, consultation, or analytical service is fulfilled and the total fee payable upon completion of the report, unless otherwise specified. **Fortenberry Lambert, Inc.** or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the report, in full or in part, nor engage in post report consultation with client or third parties except under separate and special arrangement and at an additional fee. If testimony or deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges, regardless of issuing party.

EXHIBITS

The illustrations and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photographs, if any, are included for the same purpose as of the date of the photographs. Site plans are not surveys unless so designated.

LEGAL, ENGINEERING, FINANCIAL, STRUCTURAL OR MECHANICAL NATURE, HIDDEN COMPONENTS, SOIL

No responsibility is assumed for matters legal in character or nature, nor matters of survey, or of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and marketable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report. The legal description is assumed to be correct as used in this report as furnished by the client, his designee or as derived by Fortenberry Lambert, Inc..

Fortenberry Lambert, Inc. has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil, or hidden structural, mechanical or other components, and Fortenberry Lambert, Inc. shall not be responsible for defects in the property which may be related.

The report is based on there being no hidden, unapparent, or apparent conditions of the property site, subsoil or structures or toxic materials which would render it more or less valuable. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them. All mechanical components are assumed to be in operable condition and status standard for properties of the subject type. Conditions of heating, cooling, ventilation, electrical, and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.

If Fortenberry Lambert, Inc. has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

Fortenberry Lambert, Inc. assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for The Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

LEGALITY OF USE

The report is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building and use regulations, and restrictions of all types have been complied with unless otherwise stated in the report. Further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority, local, state, federal and/or private entity or organization have been or may be obtained or renewed for any use considered in the value estimate.

COMPONENT VALUES

The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other report and are invalid if so used.

AUXILIARY AND RELATED STUDIES

No environmental or impact studies, special market study or analysis, highest and best use analysis, study or feasibility study has been required or made unless otherwise specified in an agreement for services or in the report.

DOLLAR VALUES, PURCHASING POWER

The market value estimated and the costs used are as of the date of the estimate of value, unless otherwise indicated. All dollar amounts are based on the purchasing power and price of the dollar as of the date of the value estimate.

INCLUSIONS

Furnishings and equipment or personal property or business operations, except as specifically indicated and typically considered as a part of real estate, have been disregarded with only the real estate being considered in the value estimate, unless otherwise stated. In some property types, business and real estate interests and values are combined.

PROPOSED IMPROVEMENTS, CONDITIONAL VALUE

Improvements proposed, if any, onsite or offsite, as well as any repairs required, are considered for purposes of this report to be completed in a timely, good and workmanlike manner, according to information submitted and/or considered by Fortenberry Lambert, Inc.. In cases of proposed construction, the report is subject to change upon inspection of property after construction is completed.

VALUE CHANGE, DYNAMIC MARKET, INFLUENCES, ALTERATION OF ESTIMATE

The estimated value, which is defined in the report, is subject to change with market changes over time. Value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

In cases of reports involving the capitalization of income benefits, the estimate of market value or investment value or value in use is a reflection of such benefits and **Fortenberry Lambert, Inc.**'s interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of the estimate of value; thus, they are subject to change as the market and value is naturally dynamic.

The "estimate of market value" in the report is not based in whole or in part upon the race, color, or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

REPORT AND VALUE ESTIMATE

Report and value estimates are subject to change if physical or legal entity or financing differ from that envisioned in this report.

MANAGEMENT OF THE PROPERTY

It is assumed that the property that is the subject of this report will be under prudent and competent ownership and management.

HAZARDOUS MATERIALS

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation, asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did **Fortenberry Lambert, Inc.** become aware of such during their inspection. **Fortenberry Lambert, Inc.** had no knowledge of the existence of such materials on or in the property unless otherwise stated. **Fortenberry Lambert, Inc.**, however, is not qualified to test such substances or conditions. If the presence of such substances such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimate is predicated on the assumption that there is no such condition on or in the property or in the proximity that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

SOIL AND SUBSOIL CONDITIONS

Unless otherwise stated in this report, **Fortenberry Lambert, Inc.** does not warrant the soil or subsoil conditions for toxic or hazardous waste materials. Where any suspected materials might be present, we have indicated in the report; however, **Fortenberry Lambert, Inc.** are not experts in this field and recommend appropriate engineering studies to monitor the presence or absence of these materials.

AMERICANS WITH DISABILITIES ACT (ADA)

Fortenberry Lambert, Inc. has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the Americans with Disabilities Act ("ADA"), which became effective January 26, 1992. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since **Fortenberry Lambert, Inc.** has no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property."

SAMPLE DEEDS/LEGAL DESCRIPTIONS

Vulcan (Tax Parcel 6828-65-6793 Only)

BK 2120 PG 2973

FORSYTH CO, NC 84 FEE: \$ 20.00
PRESENTED & RECORDED: 06/13/2000 12:14PM
DICKIE C. WOOD REGISTER OF DEEDS BY:WILLIA
NO TAKABLE CONSIDERATION

Send tax notice to:
Vulcan Lands, Inc.
P.O. Box 4239
Winston-Salem, NC 27115
Attention: Lamar Branton, Controller

822120 P2973 - P2979

This instrument prepared by:
John E. Hagestratton, Jr.
Bradley Arant Rose & White LLP
2001 Park Place, Suite 1400
Birmingham, Alabama 35203

Return to:
Dennis W. McVities, Esq.
Woodie Carlyle Sandridge & Rice PLLC
200 West Second Street
P. O. Drawer 84
Winston-Salem, NC 27102

Box 165

STATE OF NORTH CAROLINA)
)
COUNTY OF FORSYTH)

SPECIAL WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

That in consideration of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid to **VULCAN MATERIALS COMPANY**, a New Jersey corporation ("Grantor") by **VULCAN LANDS, INC.**, a New Jersey corporation ("Grantee"), the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant, bargain, sell, and convey unto Grantee, subject to the matters hereinafter set forth, the parcel or parcels of real estate situated in Forsyth County, North Carolina, more particularly described on **Exhibit A**, attached hereto and made a part hereof.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns forever; subject, however, to ad valorem taxes for the current year, matters that would be revealed by a current survey of the subject property, and all easements, restrictions, rights-of-way and other matters of record applicable to the subject property.

Grantor covenants that it has the full power and authority to convey the foregoing real estate and that it will warrant and defend the title to such property against all persons claiming by, through or under Grantor, but not otherwise.

[Signature Page Follows]

EXHIBIT A

TRACT 6: Located in Old Town Township, Be-
thania Township, and Middlefork
No. 1 Township, and BEGINNING at a point,
said point being the northwest intersection
of the center lines of Highway No. 8 and Oak
Summit Road, and running thence from said
beginning point along the center line of
Oak Summit Road, North 68 deg. 09 min. West
121.9 feet to a point; thence North 77 deg.
41 min. West 161.3 feet to an iron stake;
thence North 71 deg. 29 min. West 118.3 feet
to an iron stake; thence North 72 deg. 29
min. West 148.5 feet to an iron stake; thence
North 0 deg. 56 min. East 50 feet to a point
in the center line of Oak Summit Road; thence
along the center line of Oak Summit Road, the
following five courses and distances: North
69 deg. 24 min. West 100 feet; North 72 deg.
19 min. West 100 feet; North 78 deg. 39 min.
West 100 feet; North 82 deg. 39 min. West

100 feet, and North 82 deg. 29 min. West
877.5 feet to a point, said point being the
northeast intersection of the center lines
of Oak Summit Road and U. S. Highway No.
52; thence along the center line of U. S.
Highway No. 52, the four following courses
and distances: North 31 deg. 49 min. West
200 feet; North 32 deg. 39 min. West 200 feet;
North 33 deg. 24 min. West 134.4 feet, and
North 33 deg. 54 min. West 2510 feet to a
point; thence North 61 deg. 06 min. East 145
feet to an iron stake; thence South 86 deg.
54 min. East 985 feet to an iron stake; thence
South 61 deg. 14 min. East 1204.7 feet to a
point; thence South 82 deg. 07 min. East 404
feet to a point; thence South 77 deg. 53 min.
East 291.7 feet to a point; thence South 85
deg. 23 min. East 955 feet to a point; thence
North 35 deg. 34 min. East 254.3 feet to an
iron stake; thence North 69 deg. 30 min. East 491
feet to a nail in the center line of Highway
No. 8; thence along the center line of Highway
No. 8, the twelve following courses and dis-
tances: South 11 deg. 53 min. East 300 feet;
South 10 deg. 38 min. East 100 feet; South 6
deg. 48 min. East 100 feet; South 1 deg. 50
min. East 100 feet; South 2 deg. 20 min. West
100 feet; South 6 deg. 17 min. West 650 feet;
South 7 deg. 05 min. West 100 feet; South 12
deg. 20 min. West 100 feet; South 19 deg. 38
min. West 100 feet; South 22 deg. 39 min. West
100 feet; South 25 deg. 03 min. West 820.2 feet,
and South 22 deg. 51 min. West 150 feet to the
point and place of beginning, same containing
147.55 acres, more or less.

EXHIBIT A

TRACT 9: BEGINNING at an iron stake on the North side of Flat Rock-Fraternity Church Road, which said iron stake is a southeast corner of land owned by Sammons-Robertson Company, and running thence along the East line of said Sammons-Robertson Company land, North 7 deg. 30 min. East 450 feet to an iron stake, another corner of Sammons-Robertson Company land; running thence along the South line of Sammons-Robertson Company lands, South 86 deg. 15 min. East 290 feet to an iron stake; running thence on a new line, South 7 deg. 30 min. West 451 feet to an iron stake in the North line of Flat Rock-Fraternity Church Road; running thence along the North line of said road, North 86 deg. 10 min. West 290 feet to the place of beginning, containing 3 acres, more or less. Excepting therefrom a part of said tract conveyed to Robert William Keyes on February 3, 1955, and recorded in Deed Book 701 at Page 135, to which deed reference is hereby made. See Deed Book 625, Page 401 for more particular description.

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TRACT A: BEGINNING at a point in the center line of U. S. Highway No. 52, said point being 3,044.4 feet northwest of the intersection of the center lines of U. S. Highway No. 52 and Oak Summit Road, and running thence from said beginning point, North 1 deg. 27 min. East 735.5 feet to an iron; thence South 86 deg. 27 min. East 737.7 feet to an iron stake; thence North 3 deg. 27 min. East 270 feet to an iron; thence North 89 deg. 35 min. East 512.4 feet to an iron; thence North 83 deg. 00 min. East 316.8 feet to an iron; thence North 57 deg. 43 min. East 600 feet to an iron; thence North 43 deg. 16 min. East 435.4 feet to an iron; thence South 87 deg. 07 min. East 400 feet to an iron; thence North 52 deg. 05 min. East 155 feet to an iron; thence South 88 deg. 07 min. East 604.5 feet to the center line of Highway No. 8 as marked by a nail; thence with the center line of Highway No. 8, South 11 deg. 53 min. East 2,077 feet to the intersection of the center lines of Highway No. 8 and Muddy Creek as marked by a nail; thence following along Muddy Creek, South 69 deg. 30 min. West 491 feet to a point; thence South 35 deg. 34 min. West 264.3 feet to a point; thence North 85 deg. 23 min. West 955 feet to a point; thence North 77 deg. 53 min. West 231.7 feet to a point; thence North 82 deg. 07 min. West 404 feet to a point; thence North 61 deg. 14 min. West 1,204.7 feet to a point; thence North 86 deg. 54 min. West 585 feet to a point; thence South 61 deg. 06 min. West 145 feet to the point and place of beginning, same containing 146.25 acres, more or less.

TRACT B: BEGINNING at a point, said point being the northeast intersection of the center lines of Oak Summit Road and Highway No. 8, and running thence from said beginning point along the center line of Oak Summit Road, South 68 deg. 09 min. East 407.4 feet to a nail; thence crossing an old iron, North 6 deg. 09 min. West 594.8 feet to an old iron; thence South 87 deg. 34 min. East 354.4 feet to an old iron; thence South 3 deg. 06 min. West 311.8 feet to an old iron; thence South 86 deg. 17 min. East 233.8 feet to an iron in the James Ziglar line; thence North 0 deg. 46 min. West 1,458.3 feet to an iron stake; thence North 87 deg. 57 min. West 359.6 feet to a nail in the East edge of the pavement of Highway No. 8; thence westwardly to the center line of

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Highway No. 8; thence along the center line of Highway No. 8, the seven following courses and distances: South 6 deg. 17 min. West 395 feet; South 7 deg. 05 min. West 100 feet; South 12 deg. 20 min. West 100 feet; South 19 deg. 38 min. West 100 feet; South 22 deg. 39 min. West 100 feet; South 25 deg. 03 min. West 820.2 feet, and South 22 deg. 51 min. West 150 feet to the point and place of beginning, same being a tract of land lying East of Highway No. 8 and North of Oak Summit Road, and containing 18.0 acres, more or less.

And as an easement appurtenant to and for the benefit of the tracts of land herein conveyed, the unrestricted right to permit to be carried by air currents, sound waves, vibration waves and/or all other means over, across, upon, under and through the land above described, as the servient tenement, such dust, smoke, fumes, sounds, noises, vibrations, concussions and other elements, substances or forces as may be released, liberated, discharged, generated or caused at or from the plants and facilities now or at any time hereafter located upon the property herein conveyed, which plants and facilities are incident to the operation of a stone quarry, a stone crushing plant and other activities necessary or convenient thereto.

Cook Medical

BK1947 P1604

Prepared by Kiyvika Subashi-LEP
Floor Plans by OLGA ZHUK

STATE OF NORTH CAROLINA
COUNTY OF FORSYTH

POSTAGE PAID PERMIT NO. 600
FORSYTH COUNTY REGISTERED MAIL PERMIT NO. 600
SPECIAL DELIVERY PERMIT NO. 600
STATE OF NC REG. INSTR. EXCHG. 1328.00
amw/ld

THIS DEED, made this 16th day of May, 1997, by and between Sara Lee Corporation, a Maryland corporation, hereinafter referred to as Grantor; and Wilson-Cook Medical, Inc., a North Carolina corporation, hereinafter referred to as Grantee:

WITNESSETH:

THAT the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of Winston-Salem, Winston Township, Forsyth County, North Carolina, and more particularly described as follows:

Being all of that certain tract of land located in Winston Township, Forsyth County, North Carolina, known and designated as Lot 7, containing 16.595 acres, more or less, as shown on the subdivision plat entitled Oak Summit Business Park, dated January 15, 1997, prepared by US Atlantic, and recorded in Plat Book 39, at Page 134, of the Forsyth County Registry, reference to said plat being made for a more particular description.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantor covenants with the Grantee, that Grantor has done nothing to impair such title as Grantor received, and Grantor will warrant and defend the title against the lawful claims of all persons claiming by, under or through Grantor, except for the following, to which title to the property hereinabove described is subject:

- (1) Twenty-foot (20') wide public sanitary sewer easement as shown on said plat;

BK1947 P1604 - P1605

BK1947 P1605

- (2) Forty-foot (40') wide temporary construction easement as shown on said plat; and,

- (3) the Declaration of Covenants Conditions and Restrictions for Oak Summit Business Park recorded in Book 1177, Page 777 of the Forsyth County Registry; and,

- (4) such other easements, restrictions, and rights of way of record and to utility lines and rights of way in existence over or under the above-described property

IN WITNESS WHEREOF, the Grantor has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, the day and year first above written.

(Corporate Seal)

Attest:
F. Wayne Remsburg
Secretary

SARA LEE CORPORATION

By: *[Signature]*
Vice President

STATE OF NORTH CAROLINA -- COUNTY OF FORSYTH

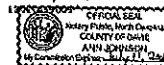
This 16th day of May, 1997, personally came before me, Ann Johnson, a Notary Public, of Forsyth County, who being by me duly sworn, says that he knows the Corporate Seal of Sara Lee Corporation, and is acquainted with F. Wayne Remsburg, who is the Vice President of said Corporation, and that he, the said F. Wayne Remsburg, is the Vice President of the said Corporation, and saw the said Vice President sign the foregoing or annexed instrument, and saw the said Corporate Seal of said Corporation affixed to said instrument by said Vice President, and that he, the said Vice President, signed his name in attestation of the execution of said instrument in the presence of said Vice President of said Corporation.

WITNESS my hand and notarial seal or stamp, this the 16th day of May, 1997.

[Signature]
Notary Public

My Commission Expires:

July 11, 2001



STATE OF NC - FORSYTH CO

The foregoing certificate of Ann Johnson

is certified to be correct this 16th day of May, 1997.
Witness my hand and seal of office this 16th day of May, 1997.

SAMPLE TAX CARD

Vulcan (Tax Parcel 6828-65-6793 Portion)

Property Summary

Tax Year: 2017

REID	6828656793000	PIN	6828-65-6793	Property Owner	Vulcan Lands Inc
Location Address	4341 N Patterson AVE	Property Description	VULCAN MATERIALS LO001B BL3448 BU1	Owner's Mailing Address	1200 Urban Center DR VESTAVIA AL 36242

Administrative Data	Transfer Information	Property Value
Old Map # 624882	Deed Date 6/13/2000	Total Appraised Land Value \$1,739,700
Market Area 112	Deed Book 002120	Total Appraised Building Value \$2,531,000
Township WINSTON-SALEM	Deed Page 02973	Total Appraised Misc Improvements Value \$241,300
Planning Jurisdiction COUNTY WIDE	Revenue Stamps	Total Cost Value \$4,512,000
City WINSTON-SALEM	Package Sale Date 6/13/2000	Total Appraised Value - Valued By Cost \$4,512,000
Fire District	Package Sale Price	Other Exemptions
Spec District	Land Sale Date	Exemption Desc
Land Class 2.02-Com Services	Land Sale Price	Use Value Deferred
History REID 1	Improvement Summary	Historic Value Deferred
History REID 2	Total Buildings 11	Total Deferred Value
Acreage 88.2	Total Units 0	Total Taxable Value \$4,512,000
Permit Date	Total Living Area 0	
Permit #		

Building Summary

Card 1 4341 N Patterson AVE

Building Details	Building Total & Improvement Details
Bldg Name Main Office-VULCAN MATERIALS	Total Adjusted Replacement Cost New \$2,435,435
Primary Occupancy Type 15	Physical Depreciation (% Bad) AVERAGE 34
Primary Occupancy 1501-OFFICE	Depreciated Value \$1,466,523
Primary Class S	Economic Depreciation (% Bad) 20
Primary Quality GD-AVG	Functional Depreciation (% Bad) 0
Year Built 1972	Total Depreciated Value \$1,189,218
Effective Year 1988	Market Area Factor 1
Physical Depreciation (Rating) AVERAGE	Building Value \$1,189,200
Physical Depreciation (% Bad) 34	Misc Improvements Value \$48,200
Economic Depreciation (% Bad) 20	Total Improvement Value \$1,237,400
Functional Depreciation (% Bad) 0	Assessed Land Value \$1,739,700
Gross Leasable Area (SQFT) 28,908	Assessed Total Value \$4,512,000
Remodeled Year 1993	
Total Stories 2	

Section 1 Details	Section 2 Details
Occupancy Type 15	Occupancy Type 15

Cook Medical

Property Summary

Tax Year: 2017

REID	6528570736000	FIN	6028-57-0736	Property Owner	Wilson Cook Medical Inc
Location Address	885 Pinebark Knob DR	Property Description	LO337 0L6328	Owner's Mailing Address	1900 Belloria Station RD Winston-Salem NC 27105

Administrative Data	Transfer Information	Property Value
Old Map #	Deed Date	Total Appraised Land Value
Market Area	Deed Book	Total Appraised Building Value
Township	Deed Page	Total Appraised Misc Improvements Value
Planning Jurisdiction	Revenue Stamp	Total Cost Value
City	Package Sale Date	Total Appraised Value - value by cost
Fire District	Land Sale Price	Other Exemptions
Spec District	Land Sale Date	Exemption Desc
Land Class	Land Sale Price	Use Value Deferred
History REID 1	Improvement Summary	Historic Value Deferred
History REID 2	Total Buildings	Total Deferred Value
Acres	Total Units	Total Taxable Value
Permit Date	Total Living Area	
Permit #		

Building Summary

Misc Improvements Summary

Card #	Unit	Quantity	Measure	Type	Base Price	Eff Year	Phys Depr (% Bad)	Econ Depr (% Bad)	Funct Depr (% Bad)	Value
No Data										
Total Misc Improvements Value Assessed:										

Land Summary

Land Class	95-00-Vacant Incls	Created Acres	19.59	Category	Access	16.57	Land Value
Zoning	Soil Class	Description	Size	Rate	Land Adjustment		
U1		COMMERCIAL-GDP-T10	722879.00 SQUARE FOOT PRICED	2	UTILITY-80.00		\$976,000
					LOCATION-90.00		
					ACCESS-60.00		
					SIZE ADJUSTMENT-65.00		
Total Land Value Assessed: \$976,000							

Ownership History

Owner Name	Deed Type	% Ownership	Stamps	Sale Price	Book	Page	Deed Date
Current: Wilson Cook Medical Inc	DEED	100	1328	\$902,800	001947	01604	5/02/1997

Notes Summary

Building Card	Date	Line	Notes
No Data			

QUALIFICATIONS AND LICENSE

QUALIFICATIONS

Carol Lomax Fortenberry, MAI

6923 Shannon Willow Road, Suite 400, Charlotte, North Carolina 28226

Phone: (704) 375-1032 Fax: (704) 375 6545 Cell: (704) 641-1916

carol@fortenberrylambert.com

EDUCATION

Queens College

Master of Business Administration - 1988

Charlotte, North Carolina

University of North Carolina, Chapel Hill

University of North Carolina, Chapel Hill, North Carolina
BA Degree, RTVMP - 1981

Chapel Hill, North Carolina

Appraisal Institute Courses Completed

1A-1 Real Estate Appraisal Principles

1A-2 Basic Valuation Procedures

1B-A Income Capitalization - Part A

1B-B Income Capitalization - Part B

550 Advanced Applications

II 540 Report Writing and Valuation Analysis

Standards of Professional Practice

Continuing Education Requirements - Current

REAL ESTATE ANALYSIS EXPERIENCE

Fortenberry Lambert, Inc.

Charlotte, North Carolina

Partner

Commercial real estate appraisal and consulting. Opened firm in January 2001. Provide real estate services to developers, property owners, and financial clients. Services include valuation, market/feasibility analysis, cash flow analysis, eminent domain and condemnation/litigation.

Fortenberry Associates, LLC

Charlotte, North Carolina

May 1997 – December 2000

Managing Partner of commercial real estate appraisal and consulting firm. Services same as listed previously.

Fitzhugh L. Stout & Associates, LLC

Charlotte, North Carolina

Senior staff appraiser assisting in commercial appraisal analysis and consulting assignments. Additional experience included collection and analysis of market data for various other studies. Employed from November 1994 through May 1997.

Stout-Beck & Associates, Inc.

Charlotte, North Carolina

Senior staff appraiser assisting in commercial appraisal analysis. Additional experience included collection and analysis of market data for various other studies. Employed from December 1988 through November 1994.

ASSIGNMENTS

Properties appraised include vacant land; multi-tenant and single tenant office buildings; business parks; apartment complexes; retail shopping centers; regional mall; hotel/motel; marinas; industrial office/warehouse; residential subdivisions; restaurants; churches; and special purpose properties.

Carol Lomax Fortenberry, MAI

6923 Shannon Willow Road, Suite 400, Charlotte, North Carolina 28226

Phone: (704) 375-1032 Fax: (704) 375 6545 Cell: (704) 641-3285

carol@fortenberrylambert.com

PROFESSIONAL AFFILIATIONS

Member, The Appraisal Institute MAI #11058

North Carolina State Certified General Real Estate Appraiser, License No. A3237

South Carolina State Certified General Real Estate Appraiser, License No. CG3634

Member Charlotte Chapter of Commercial Real Estate Women - CREW (President 1994-95)

Member of the Metrolina Subchapter of the Appraisal Institute – (Chairman 1999)

Board of Directors of the NC Chapter of the Appraisal Institute – 1999–2001

Membership, Development & Retention/Admissions Chair for N. C. Chapter of AI – 2001, 2002 & 2003

Treasurer for the Board of Directors of the NC Chapter of the Appraisal Institute – 2004

City of Charlotte Zoning Board of Adjustments – 1999-2005 (Vice Chair 2001 & 2002, Chairman 2003 - 2005)

Member of the City of Charlotte Environmental Policy Coordinating Council - 2004

Vice President for the Board of Directors of the NC Chapter of the Appraisal Institute – 2005

President Elect for the Board of Directors of the NC Chapter of the Appraisal Institute – 2006

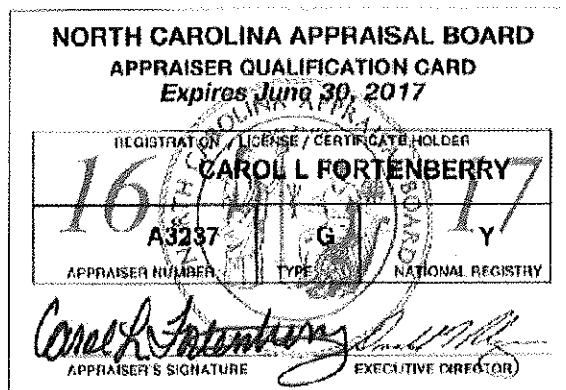
President for the Board of Directors of the NC Chapter of the Appraisal Institute – 2007

Immediate Past President and Regional Representative for the NCAI – 2008

Regional Representative for the NCAI – 2009

Alternate Regional Representative for Region V for The Appraisal Institute – 2016 & 2017

CREW Charlotte Network Foundation Committee Member – 2016 & 2017



FORTENBERRY LAMBERT, INC.

6923 SHANNON WILLOW ROAD, SUITE 400 CHARLOTTE, NC 28226
(704) 375-1032 FAX:(704) 375-6545

carol@fortenberrylambert.com