RETURN TO: HAYWOOD, DENNY & MILLER, P. O. Box 1020, Chapel Hill, No. 27514

800° 320 PAGE 228

QUITCLAIM DEED

STATE OF NORTH CAROLINA COUNTY OF ORANGE

THIS INDENTURE made this 2nd day of August.

1979, by and between the UNITED STATES POSTAL SERVICE,

Grantor, under and pursuant to the powers and authority contained in the Postal Reorganization Act (P.L. 91-375, 12

August 1970; 84 Stat. 719), and THE TOWN OF CHAPEL HILL,

NORTH CAROLINA, a body politic, Grantee, 306 N.Colombia St., Chapel Hill, NC;

WITNESS THAT, the Grantor, for and in consideration of the sum of TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS . (\$250,000.00), the receipt of which is hereby acknowledged, and a granting of a 25 year lease to the UNITED STATES POSTAL SERVICE on a portion of the property herein conveyed, which lease is more fully described elsewhere herein, hereby conveys and quitclaims to the Grantee all its right, title and interest in the following described real property in the County of Orange, State of North Carolina, to wit:

That certain tract or parcel of land situated in the town of Chapel Hill, North Carolina, and being more particularly described in three contiguous tracts as follows:

Tract I: Beginning at the intersection of the southwest margin of Henderson Street and the northeast margin of Franklin; thence south 64°30'W (with Franklin Street) 112 feet to a stake; thence north 25°30'W (at right angles with Franklin Street) 138 feet to a point for a corner; thence north 64°30'E 112 feet to the southwest margin of Henderson Street; thence south 25°30'E 138 feet to the place of beginning; and being the same tract described in a deed from Caroline Eliza Mallett, et al., to the United States of America dated February 27, 1915 and recorded in the Office of the Register of Deeds of Orange County, North Carolina, in Deed Book 69 at Page 407.

Tract II: Beginning at a stake in the west property line of Henderson Street, which point is established by measuring south 25°29'E 99 feet from a concrete monument the southwest intersection of East Rosemary Street and Henderson Street; thence south 25°29'E with the west line of Henderson Street 60 feet to a stake in the northeast corner of the above described tract acquired by the United States of America from Caroline Mallett, et al.; thence south

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64°38'W for a distance of 108 feet to a stake on the east property line of an 8 foot alley; thence north 25°29'W with the east line of said alley for a distance of 60 feet to a stake, the southeast corner of property conveyed by Orange County Building and Loan Association to the United States of America on October 6, 1936; thence north 64°38'E 108 feet to the place of beginning, Tract II is also described in the deed from the Bank of Chapel Hill to the United States of America dated October 6, 1936 and filed with the Register of Deeds of Orange County, North Carolina on February 11, 1937 and said deed includes the following statement: And granting further to the party of the second part, and its assigns the right to use jointly with the adjoining property owners an 8 foot alley extending along the western property line of the property herein conveyed southward--from East Rosemary Street and for a distance of 159 feet which has heretofore been dedicated for the use of the adjoining property owners by Frances Adele Tankersley and J.S. Patterson, by agreement dated the 16th day of September 1932, and recorded in the said Register's Office in Book 79 at page 229.

Tract III: A lot lying and being on the southwestern intersection of Henderson Street and East Rosemary Street beginning at a concrete monument at said intersection; thence south 25°29'E along the west property line of Henderson Street for a distance of 99 feet to a stake in the property line of Tract II; thence with the north line of said Tract II S64°38'W 108 feet, a stake in the east line of an 8 foot alley; thence north 25°W with the east line of said alley for a distance of 99 feet, a stake in the south property line of East Rosemary Street; thence north 64°38'E with the south property line of said Rosemary Street for a distance of 108 feet to the place of beginning; Tract III is further described in a deed from the Orange County Building and Loan Association to the United States of America dated October 6, 1936, and filed with the Register of Deeds of Orange County, North Carolina on February 11, 1937.

TOGETHER with all right, title and interest of the Grantor in and to any streams, alleys, streets, ways, strips, gores, or railraod rights-of-way abutting or adjoining said land.

Said premises are conveyed and quitclaimed subject to any existing easements for public roads or highways, utilities, railroads or pipelines.

CONSIDERATION DETAILED: As part of the consideration for this conveyance the Grantee has agreed to lease to the United States Postal Service a portion of the premises conveyed. The lease is to be for 25 years and rent-free, along with other provisions as more fully set out in a proposed lease heretofore agreed upon, dated April 23, 1979, prepared

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on PS Form 7449. November 1974, accompanied by a drawing of a portion of the facility conveyed herein which drawing was prepared by CPAA Architects and dated January 1979, with notation "drawn by T.B."; a copy of said lease with attached drawing is now in the possession of the Grantor and Grantee, and the contents of said lease are known to both parties. As a part of the consideration of this conveyance the proposed lease will be executed by the Grantee and delivered to the Postal Service at or before the time of the delivery of this conveyance to the Grantee.

Grantee covenants and agrees:

- l. That no alteration and no physical or structural change and no change in the color or surfacing shall be made to the exterior or public interior space, including any murals, of the building located on the premises without the written approval of the North Carolina State Historic Preservation Officer, which approval shall not be unreasonably withheld, nor shall any additional structure be constructed or permitted to be built upon the premises unless the plans and exterior designs for such structure have likewise been approved in writing.
- 2. That no structure on the premises may be removed or demolished without the prior written approval of the North Carolina State Historic Preservation Officer.
- 3. That unless otherwise provided, the covenants set forth above shall terminate and be of no further force or effect after fifty (50) years from the date of conveyance of the property by the Grantor. In the event of a violation of these covenants, all legal and equitable remedies, including injunctive relief to enforce these covenants, shall be available to the Grantor.
- 4. That the Grantee's covenants to carry out the duties specified herein shall be considered as covenants running with the land, which the Grantee, its heirs, successors and assigns covenants and agrees, in the event the premises are sold or otherwise disposed of, will be inserted in the conveyance or other instrument disposing of the premises.
- 5. To continuously maintain, repair, and administer the premises herein described in accordance with the Secretary of the Interior's Standards for Rehabilitation so as to preserve the historical integrity of features, materials, appearance, workmanship and environment of the premises. Maintenance shall be continuously provided.
- 6. That the premises herein described shall not be sold without giving notice to the State of North Carolina. Written notice to the State Historic Preservation Officer shall be given 90 days in advance of the sale of the property. Included in the notice shall be the name, address, and telephone number of the prospective purchaser. In the event of such a sale, the owner agrees to notify the State Historic Preservation Officer by certified mail, return receipt requested, of the sale of the property, giving the name and address of the purchaser.

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name by the General Manager,

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Real Estate Division, Headquarters, Southern Region, United States Postal Service, Memphis, Tennessee 38166, the day and year first above written.

UNITED STATES POSTAL SERVICE

By: Dave W. Dogan

General Manager

Real Estate Division

(SEAL)

ACKNOWLEDGMENT

STATE OF TENNESSEE

COUNTY OF SHELBY

day of August 1979, personally appeared DAVE W. DOGAN, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the same purposes and consideration therein expressed and in the capacity therein stated as the act and deed of the UNITED STATES POSTAL SERVICE.

GIVEN under my hand and seal of office this 2nd day of August 1979.

My Commission expires:

May 6, 1981

Notary Public

THE FOREGOING CERTIFICATE (SEOF Lela R. Costello BOOKANA #320 PAGE #228

ANOTARY ION MERSONAL PUBLIC OF THE DESIGNATED GOVERNMENTAL UNITS IS (MAE) CERTIFIED TO BE AUG 29 4 18 PM '79

THIS THE 29th DAY OF AUGUST

BETTY JUNE HAYES, REGISTER OF DEEDS

BY:

ASSISTANT/REPULY

REGISTER OF DEEDS

ASSISTANT/REPULY

REGISTER OF DEEDS

Prepared by: Haywood, Denny & Miller