

WITNESSETH:

In consideration of the rents to be paid and the covenants and agreements to be kept and performed by Lessee as provided herein, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, subject to the exceptions and reservations and upon the terms and conditions set forth herein, the following property located in Rockingham County, North Carolina (hereinafter sometimes referred to as the "Leased Premises"), to wit:

That tract of land lying between the property shown on those certain plats of survey entitled "Final Plat of Crows Nest at Belews Landing Phase One" (Map One of Four, Map Two of Four, Map Three of Four, and Map Four of Four), dated March 14, 2005 and recorded in Plat Book 56 at Page 38, Plat Book 56 at Page 39, Plat Book 56 at Page 40, and Plat Book 56 at Page 41, all in the Office of the Register of Deeds for Rockingham County, North Carolina (the "Registry") and being shown on those certain plats of survey entitled "Final Plat of Crows Nest at Belews Landing Phase Two" (Map One of Four, Map Three of Four, and Map Four of Four), dated March 14, 2007 and recorded in Plat Book 61 at Page 59, Plat Book 61 at Page 61, and Plat Book 61 at Page 62, all in the Registry (collectively, "Belews Landing"), and the 725 foot contour line of Belews Lake.

In the event any dispute arises as to the location of the boundaries of the Leased Premises, Lessor shall be entitled to resolve such dispute in its sole discretion.

1. Term. Subject to the terms of this Paragraph 1, the initial terms of this Agreement shall be five (5) years and shall begin on April ____, 2008 and shall expire at midnight on April ____, 2013. Subject to Lessor's right to terminate this Lease as set forth in Paragraph 13 hereinbelow, Lessee shall have the option of four (4) renewal terms of five (5) years each, subject to the approval of Lessor for any single renewal term. Any request for a renewal term shall be exercised by Lessee giving written notice to Lessor at least ninety (90) days prior to the expiration of the then current terms of this Agreement. Lessor shall have the right to review the rental being charged and increase the rental for any renewal term. If the rental is increased by Lessor, an Amendment of Lease (the "Amendment") will be signed by Lessor and Lessee to reflect the increased rental, and Lessee shall be responsible for payment of the increased rental effective as of the date specified in the Amendment. In the event Lessee does not execute any such amendment and deliver same to Lessor within fourteen (14) days following the delivery of such amendment to Lessee by Lessor, either party hereto shall have the right to terminate this Lease, effective on the date set forth in said termination notice which is not less than fourteen (14) nor more than thirty (30) days following such termination notice. Lessee recognizes and understands that Lessor developed and uses Belews Lake for the purpose of generating electric power and for certain other industrial uses and that such activities of Lessor, from

time to time, are or may be subject to regulation by various governmental or quasi-governmental bodies or authorities.

2. Rental. For the term of this Agreement, annual rental hereunder for the Leased Premises (such rental being herein referred to as "rent" or "rental") shall be based upon a charge of \$2.50 per linear foot, measured at the common property line between Lessor and the applicable Belews Landing property, based on the most current survey and mapping provided by Lessee and recorded in Plat Book 56 at Page 38, Plat Book 56 at Page 39, Plat Book 56 at Page 40, Plat Book 56 at Page 41, Plat Book 61 at Page 59, Plat Book 61 at Page 61, and Plat Book 61 at Page 62, all in the Registry. The total linear footage is expected to equal Eight Thousand Two Hundred (8,200) feet once all lots have been sold. The rental rate per linear foot is subject to review and increase at the end of the initial term and any renewal term.

As used herein, the term "Lease Year" shall mean the period commencing on July 1 of a particular calendar year and ending on June 30 of the following calendar year or any portion of such period. Rental hereunder shall be paid by Lessee to Lessor at the address provided in Paragraph 22 below for the giving of notices to Lessor. Rental for the first Lease Year at the beginning of the term (whether or not the term commences on July 1 of such Lease Year) shall be paid in full by Lessee to Lessor simultaneously with the signing of this Agreement; and thereafter during the term of this Agreement, the annual rental hereunder shall be payable in full for each Lease Year not later than June 30 of the preceding Lease Year, in advance, without setoff, deduction or offset. In addition to any other remedies available to Lessor under this Agreement or otherwise, if any rental or other sums due and payable by Lessee pursuant to this Agreement remain due and unpaid thirty (30) days after said amounts become due, Lessee shall pay as additional rent hereunder a late payment charge of \$50.00. Further, if any rental or other sums due and payable by Lessee pursuant to this Agreement remain due and unpaid sixty (60) days after said amounts become due, Lessee shall pay as additional rent hereunder an additional late payment charge of \$100.00 for each thirty (30) day period or portion thereof that such payment is overdue. Acceptance by Lessor of any payment from Lessee hereunder in an amount less than that which is currently due shall in no way affect Lessor's rights under this Agreement and shall in no way constitute an accord and satisfaction.

Once the sale of any lot has closed, the rental for that current year will be prorated through the end of the calendar year, and payment shall be due from Lessee within fifteen (15) days of closing or a fifteen percent (15%) late fee will be charged to Lessee. Lessee shall provide information that certifies that closing has occurred and the date of closing. The annual rental for properties that border Lessor's 725 elevation will be due by January 30th of that year or a fifteen percent (15%) late fee will be charged to Lessee.

Rental for lots sold on or before the signing of this Agreement will be calculated based on the date of closing on the lot. Lessee shall provide information verifying that such lots

have closed and the date of closing, prior to the signing of this Agreement. Rental for such lots shall be due and payable immediately upon demand by Lessor. Once documentation has been received by Lessor, an invoice shall be issued to Lessee for payment in full. Lessor shall have no obligation to enter into a lease with Lessee if the conditions of this Paragraph 2 are not satisfied, and absent a lease or other permission from Lessor, any structure placed on, or entry onto, Lessor's property shall be considered a trespass. Further, Lessor will pursue legal action to compel removal of any structures that may have already been placed on Lessor's property and enjoin any future use. Lessor warrants and acknowledges that as of the date of this Lease, to the best of Lessor's actual knowledge and belief, and without independent investigation, Lessor is unaware of any currently existing structure or condition that would constitute a violation of this Lease by Lessee.

3. Permitted Uses.

- (a) Leased Premises. Subject to the provisions of this Agreement, the Leased Premises may be used by Lessee as an appurtenance to the Belews Landing property for the following purposes and uses and no other: 1) for access to Belews Lake from the applicable lot(s) within Belews Landing that have been sold, for recreational use; 2) for establishing and maintaining landscaping and controlling vegetation, except that no tree larger than 3 inches in diameter measured 3 feet above ground level shall be removed from the Leased Premises, and that Lessee shall notify Lessor of any other trees it may desire to remove from the Leased Premises; 3) for controlling entry by others, subject to Lessor's right of entry pursuant to Paragraph 19 below; 4) for temporarily placing, maintaining and using recreational equipment customarily associated with shoreline property, including, by way of example, picnic tables, portable grills and watercraft (provided, however, no storing of watercraft on the Leased Premises or attached, docking or mooring of watercraft to the Leased Premises on a permanent or semi-permanent basis shall be permitted); and 5) for constructing, repairing, maintaining and using wooded walkways. The Leased Premises shall not be used for any commercial, non-recreational activity. No well, septic tank, septic drain line, toilet facilities, drivers, paved walkways or other paved areas, structures or other improvements, including, without limitation, sheds or other storage areas, gazebos, boat houses (or any other structures having walls or a roof) and retaining walls, shall be erected or placed on the Leased Premises. No riprap or other shoreline stabilization materials may be placed on the Leased Premises, unless approved by Lessor by separate written permit (which approval may be granted or withheld in Lessor's sole discretion).
- (b) General. The Leased Premises may be used by the applicable lot owner(s) only for non-commercial recreational purposes associated with single-family residential use of the Belews Landing property. No fuel pumps, tanks or fueling operations, no boat launching facility or ramp, no toilet facilities and no other

improvements or facilities shall be located on or within the Leased Premises. Lessee shall not be entitled under this Agreement to grant to third parties the right to use any portion of the Leased Premises. Tenant's use of the Leased Premises shall comply with all laws, ordinances, orders, regulations or zoning classifications of any lawful governmental authority, agency or other public or private regulatory authority having jurisdiction of the Leased Premises. Tenant shall not do any act or follow any practice relating to the Leased Premises which shall constitute a nuisance. Without implying that Lessee has the right to do so, if Lessee uses hazardous materials on the Leased Premises and a release or spill occurs of any such hazardous materials, including, but not limited to, oil, gasoline, petroleum products, or paint, Lessee shall report such release or spill to the appropriate authorities and governmental bodies and comply with any requirements related thereto.

4. Lake Disclosures and Waivers. Lessee understands and acknowledges that Lessor specifically makes no promises, covenants, representations, warranties or guarantees (express or implied) regarding:
- (c) the continued existence and maintenance of Belews Lake, including, without limitation, the continued maintenance by Lessor of the dam and other facilities owned or operated by Lessor at Belews Lake.
 - (d) The purity or any other characteristic of the water in Belews Lake or the shoreline of Belews Lake. Lessee understands and acknowledges that Lessor uses Belews Lake to dissipate heat generated by Lessor's electric generating facilities located at or in the vicinity of Belews Lake.
 - (e) The maintenance of any particular water level in Belews Lake at any time or during any season. Lessee understands and acknowledges that the water level in Belews Lake may fluctuate significantly from time to time in connection with Lessor's electric power generation activities. In that regard, Lessor reserves a right to flood the Leased Premises and the area surrounding Belews Lake from time to time during the terms of this Agreement.
 - (f) The suitability of Belews Lake for recreational activities. Lessee agrees that Lessor shall in no way become obligated by this Agreement to manage or control Belews Lake for recreational use.

The foregoing disclosures in clauses (a), (b), (c) and (d) in this Paragraph 4 are sometimes hereinafter referred to collectively as the "Belews Lake Disclosures." Accordingly, Lessee shall not have or be entitled to assert any claim for damages or any other remedy against Lessor relating to or arising from any act or omission of Lessor that is encompassed by the Belews Lake Disclosures. By Lessee's execution and delivery of this Agreement, Lessee hereby voluntarily, knowingly and intelligently waives all claims

for damages and all other remedies against Lessor relating to or arising from any act or omission of Lessor that is encompassed by the Belews Lake Disclosures.

5. Power Plant and Industrial Use Disclosures and Waivers. Lessee understands and acknowledges that Belews Lake was created and is used by Lessor in connection with Lessor's generation of electric power and certain other industrial uses. Such electric power currently is generated by Lessor's existing Belews Lake generating station (the "Existing Power Plant Facilities"); however, Lessor has informed Lessee that Lessor may desire to construct and operate one or more additional power plant facilities or other industrial facilities (collectively, the "Additional Power Plant Facilities") at or near Belews Lake in the future. Lessor also has disclosed to Lessee that subject to applicable governmental limits, (i) the Existing Power Plant facilities create noise, air, thermal and other pollution of the waters and lake bed of Belews Lake and (ii) Additional Power Plant Facilities may result in additional noise, air, thermal and other pollution of the waters and lake bed of Belews Lake. Lessor has a significant financial and economic interest in the future of Belews Lake as a resource for generating electric power and accommodating other industrial uses, using both the Existing Power Plant Facilities and possible Additional Power Plant Facilities. Lessee covenants and agrees that Lessee shall not, during the term of this Agreement, engage in activities that directly or indirectly will have the effect of (or are designed or intended to have the effect of) prohibiting, impeding, contesting, protesting, lobbying against or opposing in any manner whatsoever the planning, permitting, re-permitting, governmental approval of, construction, reconstruction, improvement, enhancement, maintenance, repair or operation of the Existing Power Plant Facilities or any Additional Power Plant Facilities, other than Additional Power Plant Facilities that are nuclear in nature.

6. Alterations. Lessee shall not make any alterations to the Leased Premises or any previously permitted improvements on the Leased Premises without the prior written consent of Lessor. Alterations, improvements and additions to the Leased Premises, including reconstruction after a casualty (as opposed to maintenance and repair) shall require the prior written consent of Lessor, which consent may be given or refused in Lessor's sole discretion and in no event shall such alterations or reconstruction exceed the boundaries of this Agreement. Lessor's consent to any such alteration shall be subject to Lessor's review of a detailed plan of any initial construction, alteration or reconstruction after a casualty. Lessor's approval of any such plan shall not create any liability for Lessor that such plan is complete and/or complies with all laws or other requirements. Lessor shall be entitled to require any alterations it deems necessary relative to the Leased Premises, at Lessee's expense, including but not limited to any alterations required due to governmental or regulatory requirements. Any work associated with any alterations of the Leased Premises or any previously approved improvements shall be completed in a good and workmanlike manner, using all new materials promptly, or in the case of Lessor's required alterations, within sixty (60) days of Lessee's receipt of notice from Lessor describing the required alterations.

7. Ownership. Lessee covenants that it owns fee simple title or leases under a valid lease the Lessee's Property.
8. Maintenance. During the term of this Agreement, the Leased Premises shall be maintained in good order and repair and in a safe condition by Lessee all at the sole cost and expense of Lessee.
9. Liens. Lessee shall not permit any mechanics', laborers' or material men's liens or other liens to be placed upon the Leased Premises. No term or provision in this Agreement shall be deemed or constructed in any way as constituting the consent or request of Lessor, express or implied, by inference or otherwise, to any person for the performance of any labor or the furnishing of any materials to the Leased Premises, or any part thereof, or as giving Lessee any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to any mechanics', laborers' or material men's liens or other liens against the Leased Premises. In the event any such lien hereafter attaches to the Leased Premises as a result of any activity of Lessee, then, in addition to any other right or remedy of Lessor, Lessor may, but shall not be obligated to, discharge the same. Any amount paid by Lessor to discharge any such lien and all associated costs and expense incurred by Lessor relative thereto, including, without limitation, legal fees and expenses, shall be promptly reimbursed by Lessee to Lessor upon written demand by Lessor.
10. Power Lines. Lessor reserves the right (for itself and its successors and assigns) to build, construct, reconstruct, replace, maintain and operate fiber optic facilities, internet access, telecommunications lines and facilities, electric distribution/transmission lines, towers, poles, pipes, lines, wires, conduits, crossarms and other appliances and fixtures on, under, over, along and above the Leased Premises (or any portion thereof) for the purpose of transmitting or distributing electric power, gas, water and other utilities and for information and communications transmission purposes and/or other facilities used or useful in Lessor's business, together with the right to keep said lines and other facilities free of structures, trees and other objects that may endanger or interfere with same.
11. Taxes and Assessments. Lessee shall pay when due all taxes or assessments of any kind (including ad valorem taxes) assessed against the removable personal property (permitted by Lessor) located within the Leased Premises which could become a lien against Lessor's interest in the Leased Premises. On the condition that the Leased Premises remain classified and taxed as utility property at the same rate as all other land of Lessor underlying Belews Lake, Lessor shall pay the tax thereon. In the event, however, that as a result of this Agreement or the activities of Lessee hereunder the Leased Premises shall be classified and taxed as non-utility property or at a higher rate than other lands of Lessor underlying Belews Lake, then in such event Lessee shall pay all taxes assessed against the Leased Premises. In any event, Lessee shall list and return in its name, for tax and assessment purposes, the removable personal property (permitted by Lessor) located within the Leased Premises.

12. Liability and Indemnity. Lessee shall be deemed to be in control of the Leased Premises for the purpose of premises liability and shall be responsible for the safety of all persons and property upon the Leased Premises without exception. Lessee shall indemnify, defend and save harmless Lessor and its agent from and against any and all claims, liabilities, losses or damages arising from any conduct, work or thing done in, on, under or near the Leased Premises, including, without limitation, injury (including death) or damage, however caused, to any person or persons or to the property of any person, persons, or corporations, occurring on or near the Leased Premises as a result of any activity of Lessee or Lessee's guests, invitees, agents, employees, contractors, subcontractors or third parties. Lessee hereby waives all claims against Lessor for damages caused by or resulting from flooding or drawdown of the waters of Belews Lake or any tributary thereof.
13. Termination. Any non-compliance or default by Lessee under this Agreement or the violation of any covenants, conditions, terms or provisions of this Agreement by Lessee, including, but not limited to, nonpayment of rent or any other sum payable by Lessee hereunder, noncompliance with health and sanitation laws, or violation of the provisions in Paragraph 4 and Paragraph 5 above, shall entitle Lessor, at Lessor's option, to exercise any and all rights and remedies at law or in equity including but not limited to, (i) termination of this Agreement (and all rights of Lessee in and to the Leased Premises), and/or (ii) with or without terminating this Agreement, entering the Leased Premises, expelling Lessee therefrom, without liability for trespass or conversion, removing at Lessee's expense any real or personal property located in, on or about the Leased Premises whether belonging to the Lessee or otherwise storing any such personal property at Lessee's expense, and/or (iii) with or without terminating this Agreement, retaining all fees previously paid by Lessee hereunder, and/or (iv) with or without terminating this Agreement, recovering from Lessee any and all cost and expenses incurred by Lessor as a result of Lessee's default, including, but not limited to, reasonable attorneys' fees and any other expenses incurred by Lessor in exercising its remedies. In addition, Lessee expressly understands and agrees Lessor may terminate this Agreement at any time (a) if Lessor determines, in its sole discretion, that it must do so in connection with a bona fide business objective of Lessor, or (b) if Lessor is directed or required to do so at any time by any such body or authority having jurisdiction over the operations of utilities or Lessor's use of the Leased Premises or Belews Lake, by so notifying Lessee; and in such case, Lessor shall rebate to Lessee any prepaid fees hereunder and Lessee shall execute and deliver to Lessor for recording in the public real estate record in Rockingham County, North Carolina, a termination instrument effecting a termination of this Agreement. Notwithstanding anything to the contrary in this Agreement, pursuant to N.C.G.S. §44-2(e), Lessor shall be entitled to (and Lessee hereby grants Lessor) a lien and security interest in any personal property on and/or removed from the Leased Premises by Lessee or left upon the Leased Premises by Lessee, and such lien shall secure the payment of all sums owed by Lessee to Lessor under this Agreement. With respect to such security interest, Lessor shall have all the rights of a

secured creditor as provided in Article 9 of the North Carolina Uniform Commercial Code, and the security interest shall be enforced in the manner set forth therein. Lessee also grants to Lessor a lien on Lessee's Property and Lessee's personal property and improvements located thereon to secure the payment of all sums owed by Lessee to Lessor under this Agreement, which lien may be foreclosed in the same manner as a foreclosure of a deed of trust or mortgage, and Lessee shall execute such reasonable documentation to memorialize this security interest as Lessor may request.

14. Protection of Environment. All necessary precautions shall be taken during construction, alteration, repair and/or maintenance of any permissible improvements within the Leased Premises to protect and enhance the environmental values of any affected lands and the waters of Belews Lake. Also, Lessee shall not place, store, locate or dispense on or transport to the Leased Premises any toxic, carcinogenic, radioactive or otherwise hazardous chemicals or other hazardous materials or contaminants (other than small amounts of gasoline and motor oil necessary for the operation of watercraft).
15. Archaeological Resources. If any archaeological resources or artifacts are discovered during any activity with the Leased Premises, such activity shall be halted and Lessee shall immediately contact the State Historic Preservation Officer and Lessor, so the State Historic Preservation Officer may determine what measures, if any, are needed to protect or salvage the resources or artifacts.
16. Watercraft. Any watercraft more than twenty (20) feet in length or more than ten (10) feet in width must have affixed thereto a certification label indicating that same was manufactured in compliance with the Federal Boat Safety Act of 1971.
17. Sanitation. No watercraft shall be moored within the Leased Premises if such watercraft is equipped with a through hull or overboard discharge toilet which has not been certified by the United States Coast Guard as an approved marine sanitation device.
18. Waiver. No waiver of any condition, covenant or restriction of this Agreement by either party shall be deemed to imply or constitute a further waiver of the same or any other condition or covenant of this Agreement.
19. Entry by Lessor. Lessor, its agents and representatives, at all reasonable times may enter the Leased Premises to examine same; and any such entry by or on behalf of Lessor shall not be or constitute an eviction, partial eviction or deprivation of any right of Lessee under this Agreement and shall not alter the obligations of Lessee under this Agreement or create any right in Lessee adverse to the interests of Lessor.
20. Transfer or Assignment. Lessee shall not transfer or assign all or any part of this Agreement or the rights thereunder or sublicense or sublet the whole or any part of the Leased Premises to any other party without the prior written consent of Lessor (which consent may be granted or withheld in Lessor's sole discretion). If Lessor is willing to

consent to any such transfer, assignment, sublicense or sublease, Lessee shall be required to pay, as a condition to obtaining such consent, a transfer fee in an amount to be determined by Lessor (in its sole and absolute discretion).

At any time following the execution of this Agreement, at Lessor's option, Lessor shall be entitled to assign and delegate its interest in and all rights and duties of Lessor under this Agreement to any party whatsoever, whereupon Lessor shall have no further rights, duties, obligations or liabilities, hereunder; and in such event Lessor shall be released automatically from any further liability or responsibility under this Agreement and Lessee shall look solely to such assignee or delegate for the performance of Lessor's obligation under this Agreement.

21. Compliance with Laws. Lessee shall not make or permit to be made any illegal use of or near the Leased Premises or any use of the Leased Premises that constitutes a public nuisance. Furthermore, in connection with Lessee's use of the Leased Premises, Lessee shall comply with (i) all applicable state, federal and local statutes, laws, rules, regulations, ordinances and requirements; (ii) any restrictive covenants encumbering the Leased Premises and/or the Belews Landing property or any other property; and (iii) any rules and regulations governing the use and/or maintenance of the Leased Premises which may be promulgated by Lessor from time to time.
22. Notices. Whenever in this Agreement it shall be required or permitted that notice be given by either party to the other, such notice must be in writing and must be given personally or forwarded by certified mail, return receipt requested, or sent via national overnight delivery service addressed as follows:

To Lessor: Duke Energy Carolinas, LLC
Corporate Real Estate Services
Mail Code: ST30C
P.O. Box 1007
Charlotte, North Carolina 28201-1007

To Lessee: Belews Landing Homeowners Association
~~160 Widows Walk Court~~ P.O. Box 35571
~~Stokesdale, North Carolina 27357~~ GREENSBORO, NC 27425

Notices shall be deemed given when received and deemed received on the date personally given, three (3) business days after deposited in the U.S. Mail if sent certified and one (1) business day after deposited with a national overnight delivery service. Such addresses may be changed from time to time by notice given hereunder.

23. Subordination. This Agreement is subject and subordinate to any and all mortgages or deeds of trust now on the Leased Premises and this clause shall be self-operative without any further instrument necessary to effect such subordination. Lessee agrees that this

Agreement may remain in full force and effect notwithstanding such foreclosure or default proceeding, and that it will attorn to the mortgagee, trustee or beneficiary, or their successors and assigns, or to the purchase at any foreclosure sale. Lessee shall execute, upon Lessor's request, documentation memorializing this provision or any estoppel certificate required by Lessor or its lender relating to the condition of this Agreement and the Leased Premises.

24. Rules. Lessee agrees to abide by and conform to the provisions of any rules and regulations, as well as to such reasonable modifications thereof and such further rules and regulations Lessor may make or adopt from time to time for Belews Lake. Lessor shall have the right to waive any or all of such rules and regulations as to any one or more parties, and such waiver shall not affect or diminish any of Lessee's obligations pursuant to the provisions of this Agreement in any way. Lessor shall have no responsibility or liability to Lessee for any non-conformance by any other party to any requirement of the rules and regulations. Lessor shall promptly provide a copy of such rules and regulations to Lessee.
25. Holding Over. Should Lessee hold over and remain in possession of the Leased Premises without the Lessor's written consent, it shall not be deemed or construed to be a renewal of this Agreement but shall only operate to create a trespass, and by such holding over, Lessee shall be deemed to have agreed to be bound by all of the terms of this Agreement including the payment of rent at 200% of the rent for the previous period.
26. Surrender. Lessee shall, on the last day of the term, or up on the sooner termination of this Agreement, peaceably and quietly surrender the Leased Premises to the Lessor, in as good condition as it was when received, without any other improvements thereon.
27. Brokers. Lessor and Lessee represent and warrant to the other that neither of them have engaged or contracted with any person, firm or entity to serve or act as a broker, agent or finder for the Leased Premises, and that no broker, or real estate or other similar commissions or fees are or shall be due in respect of the transaction contemplated by this Agreement. Lessor and Lessee each agree to indemnify, defend and save harmless the other from and against any cost and expense, including reasonable attorney's fees, incurred by the other as a result of the untruth of any of the foregoing representations made by it.
28. Exculpation. In no event shall Lessor's liability for any breach of this Agreement exceed the amount of the rent then remaining unpaid for the term. This provision is not intended to be a measure or agreed amount of Lessor's liability with respect to any particular breach, and shall not be utilized by any court or otherwise for the purpose of determining any liability of Lessor hereunder, except only as a maximum amount not to be exceeded in any event. Furthermore, any liability of Lessor hereunder shall be enforceable only out of Lessor's interest in the Leased Premises and in no event out of the separate assets of Lessor.

29. Eminent Domain. If all or any portion of the Leased Premises is taken under the power of eminent domain (including any conveyance made in lieu thereof), then this Agreement shall terminate. All compensation awarded for any taking (or the proceeds of a private sale in lieu thereof) shall be the property of the Lessor, whether or not such award is for compensation for damages to the Lessee's interest in the Leased Premises, and Lessee hereby assigns all of its interest in any such award to Lessor.
30. Sale by Lessor. In the event of a sale or conveyance by Lessor of the Leased Premises, or Belews Lake, the same shall operate to release Lessor from any future liability upon any of the covenants or conditions, expressed or implied, herein contained in favor of Lessee, and in such event, Lessee agrees to look solely to the responsibility of the successor in interest to Lessor in and to this Agreement.
31. Miscellaneous.
- (a) This Agreement constitutes the entire agreement between the parties hereto with respect to the particular matters addressed herein; and it is understood and agreed that all undertakings, negotiations, representations, promises, inducements and agreements heretofore had between these parties are merged herein. This Agreement may not be changed orally, but only by an agreement in writing signed by both Lessor and Lessee; and no waiver of any of the provisions in this Agreement shall be valid unless in writing and signed by the party against whom such waiver is sought to be enforced.
 - (b) The covenants and conditions herein contained shall, subject to the provisions herein as to transfer, assignment, sublicensing and subleasing, apply to and bind the heirs, successors, executors, administrators and assigns of all the parties hereto.
 - (c) No presumption shall be created in favor of or against Lessor or Lessee with respect to the interpretation of any term or provision of this Agreement due to the fact that this Agreement was prepared by or on behalf of one of said parties.
 - (d) Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural and vice versa, unless the context requires otherwise.
 - (e) The captions used in connection with the paragraphs of this Agreement are for reference and convenience only and shall not be deemed to construe or limit the meaning of the language contained in this Agreement or be used in interpreting the terms and provisions of this Agreement.

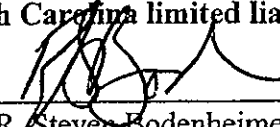
- (f) If any term or provision of this Agreement or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to such person or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.
- (g) This Agreement is intended to be performed in the State of North Carolina and shall be construed and enforced in accordance with the laws of the State of North Carolina.

Neither this Agreement nor any memorandum or other summary of this Agreement shall be placed of public record by Lessee under any circumstances without the prior written consent of Lessor (which consent may be granted or withheld in Lessor's sole discretion). Provided, however, upon written request of Lessee, Lessor shall execute a recordable memorandum of this Agreement on Lessor's standard form. At Lessee's option, such memorandum may be recorded by Lessee, at Lessee's sole cost and expense, in the public real estate records in Rockingham County, North Carolina. Also, upon the expiration or earlier termination of this Agreement, Lessee shall, upon Lessor's written request, execute and deliver to Lessor a recordable instrument prepared by Lessor memorializing the expiration or termination of this Agreement. At Lessor's option, such instrument may be recorded by Lessor, at Lessor's sole cost and expense, in the public real estate records in Rockingham County, North Carolina.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the day and year first above written.

LESSOR:

Duke Energy Carolinas, LLC
A North Carolina limited liability company

By: 
Name: R. Steven Bodenheimer
Title: Director, Transaction Management

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBURG

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: R. Steven Bodenheimer, Director, Transaction Management.

Date: 7-2-08



Notary Public

My Commission Expires: 7-12-09



LESSEE:

Belews Landing Homeowners Association

By: 
Name: SEAN LONG
Title: Operational Manager

STATE OF NORTH CAROLINA
COUNTY OF _____

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document: _____

Date: _____

Notary Public

My Commission Expires: _____

**PLEASE SEE ATTACHED
CALIFORNIA NOTARY FORM**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Santa Clara

On June 18, 2008 before me,

before me,

Lisa Cruz Notary Public
Here Insert Name and Title of the Officer

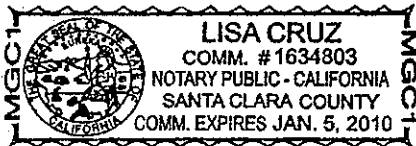
personally appeared

Jean Long
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature

Lisa Cruz
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Water Access Lease Agreement

Document Date: 6/18/08

Number of Pages: 14

Signer(s) Other Than Named Above: Lessor

Capacity(ies) Claimed by Signer(s)

Signer's Name: Jean Long

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

himself

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____