

SPECIAL WARRANTY DEED

DEED
AUDIT SSW
NO. 983

STATE OF ARKANSAS)
)
COUNTY OF CRAIGHEAD)

KNOW ALL MEN BY THESE PRESENTS: That ST. LOUIS SOUTHWESTERN RAIWAY COMPANY, a Missouri corporation, hereinafter called "Grantor", for Ten Dollars (\$10.00) and other valuable considerations to it in hand paid by CITY OF JONESBORO, a public municipality hereinafter called "Grantee", the receipt of which is hereby acknowledged, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY to Grantee and its successors and assigns that certain real property situated in the County of Craighead, State of Arkansas (the "Property"), and more particularly described in Exhibit "A", attached and hereby made a part hereof.

Grantor hereby excepts from the Property hereby conveyed and reserves unto itself, its successors and assigns, all minerals and mineral rights, interests, and royalties, including without limiting the generality thereof, oil, gas and other hydrocarbon substances, as well as metallic or other solid minerals, in and under said Property; however, Grantor or its successors and assigns shall not have the right for any purpose whatsoever to enter upon, into or through the surface of said Property in connection therewith.

Anything herein to the contrary notwithstanding, this Grant is made subject to all covenants, conditions, restrictions, exceptions, easements, rights of way, rights of access, agreements, reservations, encumbrances, liens and other matters as the same may be of record; any matter which would be disclosed by survey, investigation or inquiry; and any tax, assessment or other governmental lien against said Property.

Grantee, by signing below expressly acknowledges that Grantee is buying the Property in an "AS IS" condition and that Grantee has relied solely upon its own independent investigation of the physical condition of the Property. Grantee hereby releases and indemnifies Grantor and Grantor's shareholders, officers, directors, agents and employees from all responsibility and liability regarding the condition (including, but not limited to, the physical condition or presence of hazardous materials), valuation or utility of the Property.

TO HAVE AND TO HOLD said Property, together with all and singular the rights and appurtenances thereto to anywise belonging unto Grantee and its successors and assigns forever.

Grantor hereby binds itself, its successors and assigns, to WARRANT and FOREVER DEFEND all and singular said Property unto Grantee and its successors and assigns against every person whomsoever lawfully claiming the same or any part thereof by, through and under Grantor, but not otherwise.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed as of the 21st day of September, 1994.

ST. LOUIS SOUTHWESTERN RAILWAY COMPANY

(Signed) Joseph F. Jubledo
Notary Public
9-21-94

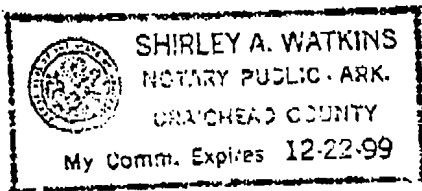
By: Original Signed
S. D. Steel
(Title) US Vice President
(Signed) T. F. O'Donnell **SEAL**
Attest: _____
(Title) SECRETARY

This deed is accepted in accordance with the terms and conditions set forth on this 1st day of November, 1994.

THE STATE OF Ark. }
COUNTY OF Craighead }

BEFORE ME Shirley A. Watkins, a Notary Public in and for said County and State, on this day personally appeared Hubert Brodeur, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 1st day of Nov., 1994



Shirley A. Watkins
NOTARY PUBLIC in and for
County of Craighead
State of Arkansas

SURVEYED BY: HAYWOOD, KENWARD, ASSOCIATES, INC.
603 SOUTHWEST DRIVE, JONESBORO, AR 72401
PHONE: 501-932-2019 FAX: 501-932-1076

BEING a portion of that land described in deed from W. M. Neff to St. Louis Southwestern Railway Company as Recorded in Deed Book 19, Page 464 dated October 17, 1900 AND from C. P. Poe to St. Louis Southwestern Railway Company as Recorded in Deed Book 20, Page 147, dated October 1, 1900 AND from R. M. Frayerer to St. Louis Southwestern Railway Company as Recorded in Deed Book 36, Page 89 dated August 19, 1911 ALL Recorded in the Office of the Circuit Court Clerk in the Western District of Craighead County, Arkansas, Also being described as " A PART OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST, JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

CERTIFICATE OF SURVEY: THIS IS TO CERTIFY THAT HAYWOOD, KENWARD ASSOCIATES, INC., CIVIL ENGINEERS AND PROFESSIONAL LAND SURVEYORS, SURVEYED IN ACCORDANCE WITH "ARKANSAS MINIMUM STANDARDS FOR PROPERTY BOUNDARIES AND PLATS", THE PARCEL/PARCELS OF LAND DESCRIBED HEREON:

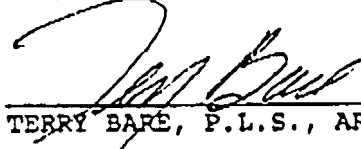
A PART OF THE NW $\frac{1}{4}$ OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST, JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGIN AT THE NORTHEAST CORNER OF THE NW $\frac{1}{4}$ OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST; THENCE S0°08'19"W ON THE $\frac{1}{4}$ SECTION LINE 2643.86' TO THE CENTER OF AFORESAID SECTION 22; THENCE S88°25'33"W ON THE $\frac{1}{4}$ SECTION LINE 1307.96' TO THE 40 ACRE LINE; THENCE N0°08'19"W ON THE 40 ACRE LINE 1318.38'; THENCE S87°44'38"W 324.30'; THENCE N61°41'38"W 234.99'; THENCE N1°31'21"W 330.00'; THENCE N83°34'17"E 250.00'; THENCE N41°23'58"E 549.72'; THENCE N15°30'02"W 288.20'; THENCE N34°14'11"E 151.27'; THENCE N54°09'44"E 93.04' TO THE SECTION LINE; THENCE N88°15'37" ON THE SECTION LINE 1161.82' TO THE POINT OF BEGINNING, CONTAINING 85.57 ACRES, MORE OR LESS, SUBJECT TO ALL RIGHTS OF WAY AND EASEMENTS OF RECORD.....

LESS AND EXCEPT A PART OF THE NW $\frac{1}{4}$ OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; BEGIN AT THE NORTHEAST CORNER OF THE NW $\frac{1}{4}$ OF AFORESAID SECTION 22; THENCE S0°08'19"W ON THE $\frac{1}{4}$ SECTION LINE 2643.86' TO THE CENTER OF AFORESAID SECTION 22; THENCE S88°25'33"W ON THE $\frac{1}{4}$ SECTION LINE 1307.96' TO THE 40 ACRE LINE; THENCE N0°08'19"W ON THE 40 ACRE LINE 1318.38'; THENCE N89°21'17"E 467.37' TO THE POINT OF BEGINNING PROPER; THENCE N1°19'14"W 272.00'; THENCE N88°41'07"E 268.00'; THENCE S1°19'14"E 272.00'; THENCE S88°41'07"W 268.00' TO THE POINT OF BEGINNING PROPER, CONTAINING 1.67 ACRES, MORE LESS, SUBJECT TO ALL RIGHTS OF WAY AND EASEMENTS OF RECORD.....

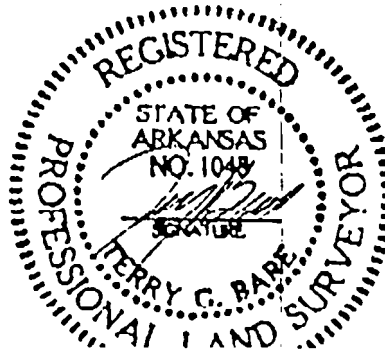
LESS AND EXCEPT AN EXISTING PUBLIC ROAD WAY 40' WIDE ACROSS THE SE $\frac{1}{4}$ NW $\frac{1}{4}$ OF AFORESAID SECTION 22, THE CENTERLINE OF SAID ROADWAY BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS; BEGIN AT THE NORTHEAST CORNER OF THE NW $\frac{1}{4}$ OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST; THENCE S0°08'19"W ON THE $\frac{1}{4}$ SECTION LINE 2304.23' TO THE CENTERLINE OF SAID ROADWAY, THE POINT OF BEGINNING PROPER; THENCE WITH THE MEANDERINGS WITH SAID ROADWAY CENTERLINE AS FOLLOWS; N65°03'16"W-57.93'; N70°34'08"W-320.63'; N79°10'43"W-216.43'; S81°58'52"W-190.48'; S68°27'02"W-298.02'; S86°52'07"W-125.10'; N56°55'03"W-127.22'; N45°03'54"W-63.21' TO THE 40 ACRE LINE, THE POINT OF TERMINATION, CONTAINING 1.28 ACRES, MORE OR LESS, SUBJECT TO ALL RIGHTS OF WAY AND EASEMENTS OF RECORD. SAID ROAD CENTERLINE BEING 1399.02' IN LENGTH ACROSS AFORESAID 40 ACRE TRACT, CONTAINING LESS SAID EXCEPTIONS, 62.62 ACRES, MORE OR LESS, SUBJECT TO ALL RIGHTS OF WAY AND EASEMENTS OF RECORD.....

I, TERRY BARE, ARKANSAS PROFESSIONAL SURVEYOR NO. 1048 DO HEREBY CERTIFY THAT THE DESCRIPTIONS AND SURVEY ARE BASED ON AN ACTUAL SURVEY ON THE GROUND, AND THAT THE VISABLE IMPROVEMENTS AND ENCROACHMENTS ARE AS SHOWN ON THE SURVEY.....

SIGNED THIS 22ND. DAY OF JULY, 1994 BY:



TERRY BARE, P.L.S., ARKANSAS NO. 1048



OPTION AGREEMENT

This option agreement is between St. Louis Southwestern Railway Company, as Seller, and the City of Jonesboro, Arkansas, as Buyer.

1. The parties hereto are in the process of negotiating the sale and purchase of approximately 86.25 acres of property under certain terms and conditions as proposed by offering letter dated May 25, 1994, from Southern Pacific Lines, representing the Seller, with its various attachments. Before the City of Jonesboro can enter into the proposed purchase agreement, the City has determined that it is necessary that an environmental assessment or audit be performed on its behalf and at its expense prior to agreeing to the purchase of the property.

2. In order to allow the City, as prospective purchaser, sufficient time to perform such an audit and to make a determination as to whether or not it can enter into the proposed sales agreement, as submitted by Seller, Seller agrees, for and in consideration of the sum of \$2,000 paid to it upon the execution of this Option Agreement, to grant the City of Jonesboro an option to purchase the property described in the proposal of May 25, 1994, with attachments, which is made a part of this agreement as Exhibit "A" and attached hereto. This option shall be in full force and effect from the date of this agreement until 12:00 noon on the 31st day of August, 1994. Notice of the City's intent

to exercise the option and to proceed with the sale under the terms and conditions as previously outlined shall be given no later than that date specified by certified mail, return receipt requested, directed to Mr. Dalen Wintermute
4099 McEwen Suite 600
Dallas, Texas 75244.

3. In the event the City exercises the option to purchase, the amount paid for this option shall be applied against the total purchase price. In the event the City determines not to proceed with the sale of property and not to execute its option to purchase, then the amount paid for this option shall be forfeited to the Seller.

4. Seller agrees to execute and return with this document a right of entry permit for environmental assessment, which shall outline the terms and conditions under which the Buyer, its agents, contractors, employees or consultants shall be permitted to perform the environmental audit upon the property, which is the subject of this agreement.

DATED this 1st day of June, 1994.

SOUTHERN PACIFIC TRANSPORTATION
COMPANY

BY: _____



Southern Pacific Lines

4099 McEwen • Suite 600 • Dallas, Texas 75244

May 25, 1994

"S" - Jonesboro - Gravel Pit

City of Jonesboro
c/o Mr. Mabe Spurlock
Dixie Land Sales, Inc.
1411 Franklin Street
Jonesboro, AR 72401

Dear Mr. Spurlock:

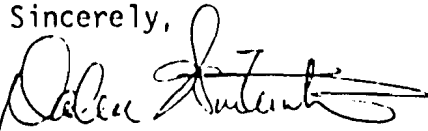
Your request to purchase St. Louis Southwestern Railway Company property at Jonesboro, Arkansas, has been reviewed. We are now prepared to submit a sale proposal to you under the following terms and conditions:

1. SELLER: St. Louis Southwestern Railway Company.
2. BUYER: City of Jonesboro.
Please indicate how title should be vested.
3. DESCRIPTION OF PROPERTY: Approximately 86.25± gross and net acres as indicated on attached print.
4. PURCHASE PRICE: \$800.00 per acre. Estimated total purchase price (subject to survey) is \$69,000.00.
5. TITLE TO PROPERTY: Property will be conveyed by Special Warranty Deed.
6. CLOSING: Buyer will be notified when Seller's management approves sale. Sale shall close on or before the 15th day immediately following subject notification unless extended by Seller.
7. DEFAULT BY BUYER: If Buyer fails to perform within the 15 day period, Seller may at its option extend the closing date or retain Buyer's deposit as liquidated damages and terminate this proposal. If Seller chooses to extend the closing, Buyer will be so notified in writing.
8. MINERALS: All mineral rights owned by Seller shall be retained by Seller without the right of surface entry.
9. PRORATIONS: Real property taxes and lease payments (if applicable) will be prorated at close of escrow.
10. SPECIAL ASSESSMENTS/FEES: Buyer will be responsible for any special assessments or fees on this Property.
11. REAL ESTATE COMMISSION: Seller shall be responsible for paying a real estate commission to Dixie Land Sales, Inc. in an amount equal to 5% of the purchase price upon the Closing.

12. SURVEY AND LEGAL DESCRIPTION: A survey and legal description of the property will be provided by Buyer at Buyer's expense. Said survey shall conform with requirements set forth in attached Exhibit "B". Said survey shall be provided by Buyer to Seller within thirty (30) days after date of Buyer's execution of this proposal.
 13. TIME LIMIT: This proposal shall become null and void if not accepted and returned to this office by June 10, 1994.
 14. DEPOSIT: Buyer shall remit, along with the signed copy of this letter, a cashier's check made payable to St. Louis Southwestern Railway Company in the amount of \$6,900.00 representing earnest money deposit towards this transaction. Should Seller's management approve this transaction and Buyer performs pursuant to paragraph 6, then this deposit will be applied towards purchase price. However, if Buyer defaults pursuant to paragraph 7, then Seller will retain deposit as Liquidated Damages and terminate this proposal. Should Seller's management reject this transaction, then this deposit shall be refunded to Buyer whereupon this proposal shall become null and void.
 15. MANAGEMENT APPROVAL: Notwithstanding the execution of this sale proposal by Seller and/or anything to the contrary herein, this sales proposal is subject to the review and approval by Seller's management and Buyer acknowledges this understanding by signing in the acceptance space below.
 16. ENVIRONMENTAL DISCLOSURE: Buyer acknowledges that Seller has held title to the property since approximately 1900 and it has been used for railroad purposes including and without limitation, possible uses as a bulk oil facility, mechanical oil facility, locomotive refueling facility, gasoline service station, industrial site, manufacturing facility, agricultural or other purposes. For this reason, Seller believes there may be hazardous substances located on or beneath the property or in the ground water underlying the property. Seller has not done a specific environmental audit of the property nor has it reviewed past records to determine the possibility of such release. Buyer is advised to undertake a thorough investigation prior to concluding the proposed purchase of the property. Since the property is being sold "as is", Buyer assumes the risk of hazardous substances being found on or beneath the property whether or not Buyer undertakes an investigation prior to concluding the purchase. Prior to entering the property for such investigation, Buyer shall enter into and fulfill all requirements of a right-of-entry permit (the "Permit") in substantially the same form as the attached blank form of Permit captioned "Right of Entry Permit for an Environmental Assessment." These provisions shall survive the close of escrow and the deed of conveyance shall contain a provision whereby Buyer releases and indemnifies Seller for hazardous conditions.
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- 17. DEED FORM: The deed (conveying interest in the property) shall be substantially in the form of Exhibit "C" attached hereto as modified to conform to the terms and conditions of this sales proposal and as otherwise agreed by the parties.
- 18. LEASE ASSIGNMENT: Lease by and between Seller and Razor Rock Materials Company shown in Seller's records as Lease No. 708853N shall be assigned to Buyer at Closing. Said assignment shall be in essentially the same form as the attached blank form of assignment agreement captioned "Assignment and Assumption Agreement".
- 19. POWER OF EMINENT DOMAIN: By executing this Contract, Purchaser acknowledges that Purchaser has the power of eminent domain and that Purchaser shall execute and deliver to Seller, at or prior to the Closing, a letter on Purchaser's letterhead, attached hereto as Exhibit "D".

If this proposal meets with your approval, please sign one copy and return it to me within the time limit given for acceptance.

Sincerely,

 Dalen Wintermute
 Sales Manager

KEB:jk
Attachments

TERMS AND CONDITIONS ARE AGREED TO AND ACCEPTED THIS _____ DAY OF _____, 19___. IT IS UNDERSTOOD BY BUYER THAT THIS PROPOSAL IS SUBJECT TO FINAL APPROVAL BY THE MANAGEMENT OF SOUTHERN PACIFIC TRANSPORTATION COMPANY.

CITY OF JONESBORO

By: _____

Its: _____

EXHIBIT "A"

COPIES OF AGREEMENTS

Exhibit _____

SAMPLE FORMAT

Survey for _____
City, State & Buyer

Surveyed by _____
Surveyor (Name & Address)

BEING a portion of that land described in deed from _____ to
_____, as recorded in Deed Book ____, Page ____, dated _____
_____, in (Office, Courthouse, District, County, State), also being
described as (Section, Township, Range, City, District, County, State), _____

and being more particularly described as:

BEGINNING _____

_____;

THENCE _____
_____;

THENCE _____
_____;

THENCE _____;

THENCE _____ to the point of beginning, and
containing _____ gross acres and _____ net acres.

Re: Right-of-Entry Permit for an Environmental Assessment

Dear _____:

_____, a _____ corporation, ("Permitter"), hereby permits _____, and its employees, agents, contractors and consultants (collectively, "Permittee"), to enter upon Permitter's property located at _____, County of _____, State of _____, ("Premises"), as illustrated on Permitter's Exhibit "A" dated _____, attached and made a part hereof, subject to all licenses, easements, encumbrances and claims of title affecting the Premises and upon the following terms and conditions:

1. This permit is for Permittee's exclusive use and is not assignable. It is hereby given to Permittee solely for the purposes of evaluating the Premises to determine the existence or presence of any hazardous materials in or about the Premises prior to purchase and for no other release or dissemination whatsoever.
2. This permit shall be effective for a period of ____ days from the above date and shall automatically terminate thereafter. Notwithstanding the term hereof, Permitter reserves the right to revoke this permit at any time prior to termination date upon twenty-four (24) hours' advance notice from Permitter to Permittee.
3. In order to determine the existence or presence of any hazardous materials in or about the Premises, Permittee shall have the right, during the period described in Paragraph 2 hereof and at Permittee's sole cost and expense, to conduct such tests, studies, evaluations, audits or surveys ("Environmental Surveys") as Permittee deems appropriate, subject to the terms and conditions contained elsewhere herein and to the following additional terms and conditions:
 - A. Permitter shall have the right to approve any and all engineers, consultants or other parties ("Consultants") Permittee intends to retain to conduct any Environmental Surveys;
 - B. Permitter shall have the right to be present at all times and to approve, review and monitor any and all physical tests, studies and procedures in or about the Premises which are made or implemented in connection with any Environmental Surveys, including, without limitation, the review and approval of the number, type, extent and location of any test or monitoring wells or drillings;

- C. Neither Permittee nor any Consultants shall contact or communicate with any governmental agency, department, district or board in connection with any Environmental Surveys without the prior written approval of Permitter;
- D. All written reports, evaluations and surveys produced by any Consultants in connection with any Environmental Surveys (whether preliminary, interim or final in nature) shall be submitted to Permitter concurrently with the submission of the same to Permittee.
- E. Prior to the issuance of any final report by any Consultants which will set forth any "baseline" determination affecting the Premises and/or any recommendations relating to the removal, monitoring, cleanup or containment of any hazardous material, Permitter shall be given the opportunity to make comments, ask questions and offer recommendations to the Consultants preparing such reports;
- F. Any entry by Permittee pursuant hereto shall be made in a manner which results in the least interference with the use of the Premises by Permitter or any third party.
- G. Permittee and all Consultants shall maintain in confidence any and all information, reports, evaluations and surveys generated in connection with any Environmental Surveys, and neither Permittee nor any Consultants shall make any disclosure of any such information, reports, evaluation and/or surveys to any other party without the prior written consent of Permitter;
- H. Permittee must arrange access with tenants, and Permittee agrees to make every effort not to unnecessarily interfere with the operations of any tenant;
- I. Permittee shall not be liable for any preexisting condition merely revealed by Environmental Surveys, but Permittee shall bear the cost of correcting any condition resulting from conducting Environmental Surveys;
- J. Permittee agrees to provide any of its agents with a copy of this permit and to obtain such agent's agreement to abide by the terms and conditions thereof;
- K. Permittee's termination of this permit shall not relieve Permittee from any liability for any damages incurred by Permitter by reason of a breach by Permittee of any of the terms and conditions of this Paragraph 3; and
- L. Permittee shall not perform or permit the performance of any soil tests, water samples or any other test or sample of any kind on the Premises without the express prior written consent of Permitter which may be granted or withheld in the sole discretion of Permitter. If Permittee requests the consent of Permitter to any such test or sample, Permitter, as a condition to considering

whether to grant or deny consent, may require that Permittee furnish Permittor with (i) Phase I report of the Premises performed to ASTM standards or similar standards approved by Permittor and (ii) detailed plans concerning the proposed test or sample which shall include proposed locations where tests or samples are to be made or taken and the type of tests or samples to be made or taken. If Permittor grants consent to any test or sample, Permittee agrees that the applicable test or sample shall be made or taken in compliance with any detailed plans applicable thereto and/or conditions imposed by Permittor applicable thereto.

4. All costs related to Permittee's operations upon the Premises shall be at Permittee's expense and all work by Permittee upon the Premises shall be performed in a good and workmanlike manner satisfactory to Permittor. Since there is the possibility of the existence of pipelines or other structures beneath the Premises, if Permittee should excavate or drill, then Permittee's forces shall explore for such structures with hand tools to a depth of at least eight feet (8') below the surface of the ground or, at Permittee's option, use suitable detection equipment prior to drilling or excavating with mechanized equipment. Absence of markers does not constitute a warranty by Permittor of no subsurface installations.
5. Any open holes excavated, drilled or otherwise caused by Permittee shall be satisfactorily covered at all times when Permittee's forces are not physically working in the actual vicinity thereof. Upon completion of work, all holes will be filled in to surrounding ground level with clean, compacted, earthen material and the Premises left in a neat and safe condition satisfactory to Permittor.
6. Upon request of Permittor, Permittee shall furnish Permittor, without cost or charge therefor, a copy of finalized data obtained by Permittee from studies or surveys conducted upon the Premises.
7. Permittee shall fully pay for all materials joined or affixed to the Premises, and shall pay in full all persons who perform labor thereupon. Permittee shall not suffer any mechanics' or materialmen's liens of any kind to be enforced against the Premises for any work done or materials furnished at Permittee's request. If any such liens are filed thereon, Permittee shall immediately remove the same at Permittee's own expense, and shall pay any judgment which may be entered thereon or thereunder. Should Permittee fail, neglect, or refuse so to do, Permittor shall have the right to pay any amount required to release any such liens, or to defend any action brought thereon, and to pay any judgment entered therein; and Permittee shall be liable to Permittor for all costs, damages, reasonable attorneys' fees, and any amounts expended in defending any proceedings or in the payment of any of said liens or any judgment obtained therefor. Permittor may post and maintain upon the Premises notices of nonresponsibility as provided by law.
8. Permittee shall release, defend (with counsel satisfactory to Permittor) and indemnify Permittor from and against all liability, cost, and expense for loss of or damage to property and for injuries to or death of any person (including, but not limited to, the property and employees of each

party hereto) when arising or resulting from the use of the Premises by Permittee, its agents, employees, or invitees; the location or condition of the Premises or any part thereof; or Permittee's breach of the provisions hereof; regardless of whether such liability, cost, or expense is caused or contributed to by the negligence, active or passive, of Permitter, Permitter's employees, agents, contractors, subcontractors, or their employees or agents, or any other person. The term "Permitter" as used herein includes, in addition to Permitter, Permitter's subsidiaries and affiliates, and the successors and assigns of any of them, and any other railroad company operating upon Permitter's tracks.

To insure Permitter's contractual liability hereunder, Permittee shall provide Permitter satisfactory evidence of Comprehensive General Liability insurance and Automobile Liability insurance, terminable only after ten (10) days' advance written notice to Permitter, each in an amount of not less than TWO MILLION DOLLARS (\$2,000,000) combined single limit per occurrence for Bodily Injury and Property Damage. The insurance policies shall name Permitter as additional insured and shall contain a waiver of any right of subrogation against Permitter.

9. Permittee shall comply, at Permittee's expense, with all applicable laws, regulations, rules, and orders with respect to the use of the Premises, regardless of when they become or became effective, including, without limitation, those relating to construction, grading, signage, health, safety, noise, environmental protection, waste disposal, and water and air quality, and furnish satisfactory evidence of such compliance upon request of Permitter.

Should any discharge, leakage, spillage, emission, or pollution of any type occur upon or from the Premises due to Permittee's use and occupancy thereof, Permittee, at Permittee's expense, shall clean all property affected thereby to the satisfaction of Permitter and any governmental body having jurisdiction thereover.

Permittee shall indemnify, hold harmless, and defend Permitter against all liability, cost and expense (including, without limitation, any fines, penalties, judgments, litigation costs, attorneys' fees, and consulting, engineering and construction costs) incurred by Permitter as a result of Permittee's breach of this section or as a result of any such discharge, leakage, spillage, emission or pollution, regardless of whether such liability, cost or expense arises during or after the term of this permit and regardless of whether such liability, cost or expense is caused or contributed to by the negligence, active or passive, of Permitter.

Permittee shall pay all amounts due Permitter under this section within ten (10) days after any such amounts become due.

10. Any person, firm or corporation Permittee authorizes to work upon the Premises shall be deemed to be Permittee's agent and shall be subject to all the applicable terms hereof.
11. Permittee is hereby required to give five (5) days' advance notice of the date Permittee elects to enter upon the Premises. Said notice shall be to

the undersigned by telephone at (214) 770-4300 and to Permitter's Environmental Project Manager, Mr. Bob Taeger, at (214) 770-4363, and then confirmed by letter to the above address.

If any facility of Permitter is endangered by Permittee's work, Permittee shall immediately notify Permitter at the above numbers; and, in the event any of Permitter's facilities is damaged as a result of Permittee's operations upon the Premises, Permittee shall reimburse Permitter for any cost expended to repair or replace the facility so damaged upon presentation of bill therefor.

12. By signing this permit, Permittee acknowledges that any and all maps, feasibility or marketing reports, environmental assessments, engineering studies and other information of any type that Permittee has received or may receive from Permitter or its agents are furnished by Permitter with the express understanding that (i) Permittee shall make an independent verification of the accuracy of any and all such information, and (ii) all such information was or will be furnished without any warranty whatsoever. Permittee agrees that it will not attempt to assert any liability against Permitter and/or its agents for furnishing such information. Furthermore, such information furnished by Permitter or its agents to Permittee shall be treated with same confidentiality as information developed by Permittee pursuant to terms of this permit.
13. Permittee's proposal to purchase the Premises is being considered as a separate matter and nothing contained in this permit shall in any way be construed as a commitment on Permitter's part that said proposal shall be accepted and approved. If such proposal is not consummated for any reason, Permittee shall be obligated upon expiration or termination of this permit to remove from and off the Premises all property owned or controlled by Permittee thereupon and restore the Premises to the condition existing on the date immediately prior to Permittee's entry on to the Premises, all at Permittee's expense; and, upon failure so to do, such work may be performed by Permitter at Permittee's expense.
14. If the Environmental Surveys disclose any hazardous substances, either party shall have the right, at their sole discretion, to terminate any lease or sale negotiations which may be in progress or the separate sales proposal between the parties hereto.
15. Permitter's or Permittee's termination of lease or purchase negotiations or sales proposal shall not relieve Permittee from any liability for any damages incurred by Permitter by reason of breach by Permittee of any of the terms of this right of entry permit.
16. As the Premises are presently occupied by Permitter's tenant(s), it shall be Permittee's responsibility to obtain said tenant(s) permission before entering the Premises. The name(s) and address(es) of Permitter's present tenant(s) is (are) listed on the attached Exhibit "B".
17. Permittee shall not be permitted to cross railroad tracks located adjacent to the Premises to gain access to and from the Premises. Access shall be by use of designated public streets or crossings only.

18. No hazardous materials shall be handled at any time upon the Premises, and under no condition shall Permittee be permitted to place or store any mechanized equipment, tools or other material within twenty-five feet (25') of the center line of the nearest railroad tracks.

If Permittee agrees to the foregoing terms, please have Permittee's authorized officer endorse Permittee's acceptance on the attached copy of this letter and return to undersigned. If the endorsed copy is not received within ten (10) days from the date of this letter, this permit shall automatically terminate.

Very truly yours,

ROE_RDL/jk

AGREED TO AND ACCEPTED THIS _____ DAY OF _____, 19____.

By _____

Title: _____

**ASSIGNMENT AND ASSUMPTION
AGREEMENT**

This Assignment and Assumption Agreement ("Assignment Agreement") is made and entered into this ____ day of _____, 19____, by and between _____, _____, ("Assignor"), and _____, _____, ("Assignee").

RECITALS

A. Assignor and Assignee have entered into that certain Letter Proposal dated _____, 19____ ("Proposal"), pursuant to which Assignor has agreed to sell to Assignee certain real property located in the City of _____, County of _____, State of _____, more particularly described in the Proposal ("Property").

B. As of Closing (as defined in the Proposal), the following leases and other agreements will affect the Property: _____ (collectively, "Agreements"), copies of which are attached hereto as Exhibit "A", together with all amendments and modifications thereto.

C. Pursuant to the terms and conditions of the Proposal, Assignor and Assignee have agreed to execute this Assignment Agreement to cause the assignment of the Agreements from Assignor to Assignee.

NOW, THEREFORE, in consideration for the covenants and conditions set forth below, the parties hereto agree as follows:

1. Assignment. Effective as of Closing (as defined below), Assignor grants, transfers and assigns to Assignee all the rights and obligations of Assignor under the Agreements, including any extensions, renewals, modifications and amendments thereto.

2. Acceptance and Assumption. Effective as of Closing, Assignee hereby accepts the assignment by Assignor described under Paragraph 1 above and assumes and agrees to keep and perform all of the covenants, duties, liabilities and obligations of Assignor under the Agreements accruing on and after Closing.

3. No Representations. Assignee acknowledges that neither Assignor nor Assignor's agents or employees have made any warranties, representations or statements regarding the effectiveness, enforceability or status of the Agreements and that Assignee acknowledges that it is relying solely on its own review and investigation in accepting the assignment of the Agreements and assuming the obligations of Assignor thereunder.

4. Indemnification By Assignee. Assignee agrees to indemnify, defend and hold Assignor harmless from and against any loss, damage, liability, cost or expense, including attorneys' fees, incurred or suffered by Assignor as a consequence of any breach by Assignee of its obligations under Paragraph 2 above.

5. Effective Date. This Assignment Agreement shall become effective and of full force and effect concurrently with Closing ("Effective Date").

6. Attorney's Fees. Should any litigation be commenced between the parties hereto concerning the Agreements, this Assignment Agreement or the rights and duties of either Assignor or Assignee in relation thereto, whether it be an action for damages or equitable or declaratory relief, the prevailing party in such litigation, in addition to such other relief as may be granted by the court, shall be entitled to reasonable sums as attorneys' fees, or such prevailing party may recover such attorneys' fees in a separate action brought for that purpose.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the date set forth above.

Assignor:

SOUTHERN PACIFIC TRANSPORTATION COMPANY

By _____
Tony K. Love - Assistant
Regional Director

Assignee:

By _____
Title:

EXHIBIT "B"

Survey Requirements

The following items should be included in the Survey:

1. Reference in preamble, including recording data, to deed(s) whereby Owner acquired title to the property being surveyed (the "Property");
2. Tie-ins and proper references to prior deeds whereby Owner sold land abutting the Property to others;
3. Distance(s) from centerline of nearest trackage to boundaries of the Property;
4. Tied-in location(s) of all improvements (including, but not limited to buildings, trackage, pipelines, polelines and utilities) located within the limits of the Property;
5. Ownership of improvements described in item 4, if known;
6. Tied-in location(s) of all encumbrances which affect the Property along with proper references to instruments creating such encumbrances;
7. Standard certification embodying language similar to the following: "The survey is based on an actual survey of the property on the ground, and there are no easements, improvements, encroachments and/or provisions, except as shown thereon";
8. Separate gross area and net area as depicted on Exhibit "A" and/or explained in attached cover letter; (Should Surveyor have any questions regarding gross versus net area, Surveyor should contact Dalen Wintermute at (214) 770-4317 for clarification.)
9. A copy of the traverse, subdivision and plat maps used in preparing the legal description and other pertinent data used in constructing the Survey should accompany the Survey;
10. Metes and bounds legal description(s) of the Property on separate 8 1/2" x 11" page(s) bearing Surveyor's certification and seal. The format of such description should conform as closely as possible to attached blank SAMPLE form; and
11. Properly tied-in location of all fiber optics lines and/or facilities located on or within ten feet (10') of any boundary line of the Property.
12. Curve information, for all curves, must include the RADIUS, the CHORD BEARING and the CENTRAL ANGLE (delta).

EXHIBIT "B"
Survey Requirements
(Page 2)

Notes applicable to item 11 above:

- (i) Copy of fiber optics "as-builts" showing known fiber optics lines and/or facilities in the vicinity of the Property are are not (check appropriate box) attached. The name of fiber optics carrier responsible for such lines and/or facilities shown on such "as-builts" and their phone number is/are as follows:
- Carrier: M.C.I. Telecommunications Corporation
Phone #: (A.C. 800) 344 - 8377
- Carrier: U. S. Sprint
Phone #: (A.C. 800) 521 - 0579
- Carrier: Other (Specify) _____
Phone #: (if known) (A.C. _____) _____ - _____
- (ii) Surveyor should telephone 1-800-283-4237 (a 24-hour number) for general assistance in determining if fiber optics line(s) and/or facilities are located on or about the Property being surveyed.
- (iii) THE INFORMATION CONTAINED IN NOTES (i) AND (ii) ABOVE PROVIDED BY OWNER OR BUYER TO SURVEYOR IS BEING PROVIDED ONLY AS A COURTESY. BY SIGNING THE SURVEY AGREEMENT AND/OR ACCEPTING THE SURVEY ASSIGNMENT, SURVEYOR ACKNOWLEDGES AND AGREES THAT SUCH INFORMATION HAS BEEN PROVIDED BY OWNER OR BUYER TO SURVEYOR WITHOUT ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, ORAL OR WRITTEN, CONCERNING THE ACCURACY OR COMPLETENESS THEREOF AND THAT SURVEYOR WILL NOT RELY ON THIS INFORMATION BUT INSTEAD WILL RELY ON SURVEYOR'S FIELD INVESTIGATION OF THE PROPERTY TO DETERMINE WHETHER OR NOT THERE ARE ANY FIBER OPTICS LINE(S) OR FACILITIES LOCATED ON OR WITHIN TEN FEET (10') OF THE PROPERTY BEING SURVEYED.
- (iv) To assure that the fiber optics line(s) and/or facilities are properly located on the ground and properly shown on survey plat, Surveyor should contact fiber optic carrier's representative at above phone number(s) for assistance in locating such lines and/or facilities.

EXHIBIT "C"

SPECIAL WARRANTY DEED

STATE OF ARKANSAS)
)
COUNTY OF _____)

KNOW ALL MEN BY THESE PRESENTS: That ST. LOUIS SOUTHWESTERN RAILWAY COMPANY, a Missouri corporation, hereinafter called "Grantor", for Ten Dollars (\$10.00) and other valuable considerations to it in hand paid by _____ hereinafter called "Grantee", the receipt of which is hereby acknowledged, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY to Grantee and its successors and assigns that certain real property situated in the County of _____, State of Arkansas (the "Property"), and more particularly described in Exhibit "A", attached and hereby made a part hereof.

Grantor hereby excepts from the Property hereby conveyed and reserves unto itself, its successors and assigns, all minerals and mineral rights, interests, and royalties, including without limiting the generality thereof, oil, gas and other hydrocarbon substances, as well as metallic or other solid minerals, in and under said Property; however, Grantor or its successors and assigns shall not have the right for any purpose whatsoever to enter upon, into or through the surface of said Property in connection therewith.

Anything herein to the contrary notwithstanding, this Grant is made subject to all covenants, conditions, restrictions, exceptions, easements, rights of way, rights of access, agreements, reservations, encumbrances, liens and other matters as the same may be of record; any matter which would be disclosed by survey, investigation or inquiry; and any tax, assessment or other governmental lien against said Property.

Grantee, by signing below expressly acknowledges that Grantee is buying the Property in an "AS IS" condition and that Grantee has relied solely upon its own independent investigation of the physical condition of the Property. Grantee hereby releases and indemnifies Grantor and Grantor's shareholders, officers, directors, agents and employees from all responsibility and liability regarding the condition (including, but not limited to, the physical condition or presence of hazardous materials), valuation or utility of the Property.

TO HAVE AND TO HOLD said Property, together with all and singular the rights and appurtenances thereto to anywise belonging unto Grantee and its successors and assigns forever.

Grantor hereby binds itself, its successors and assigns, to WARRANT and FOREVER DEFEND all and singular said Property unto Grantee and its successors and assigns against every person whomsoever lawfully claiming the same or any part thereof by, through and under Grantor, but not otherwise.

[Handwritten signature]

IN WITNESS WHEREOF, Grantor has caused these presents to be executed as of the _____ day of _____, 19__.

ST. LOUIS SOUTHWESTERN RAILWAY COMPANY

By: _____
(Title)

Attest: _____
(Title)

This deed is accepted in accordance with the terms and conditions set forth on this _____ day of _____, 19__.

By: _____

THE STATE OF)
COUNTY OF)

BEFORE ME _____, a Notary Public in and for said County and State, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 19__.

NOTARY PUBLIC in and for
County of _____
State of _____

THE STATE)
COUNTY OF)

This instrument was acknowledged before me on the ____ day of _____, 19__, by _____ for _____, a _____ corporation, on behalf of said Company.

NOTARY PUBLIC IN AND FOR _____ COUNTY, _____
(Print Name) _____

My commission expires: _____

EXHIBIT "D"

CONDEMNING AUTHORITY'S LETTERHEAD

_____, 1992

Southern Pacific
Transportation Company
4099 McEwen Road, Suite 600
Dallas, Texas 75244

Attn: _____

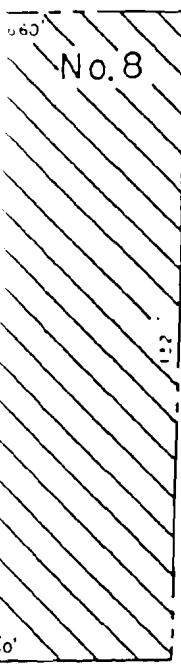
Re: _____ (City) _____ (State) - Condemnation of _____
acres for _____

Gentlemen:

At your request, we are writing to memorialize a series of conversations that we had with you during the negotiation process regarding our purchase of the above-referenced parcels. During our various conversations, we informed you that the _____ (insert name of Condemnation Authority) ("_____") has the power of eminent domain and that if a purchase could not be negotiated, then _____ was prepared to initiate a condemnation action against Southern Pacific Transportation Company for the real property located in _____ County, as shown on Exhibit "A" attached hereto.

Sincerely,

CRAIGHEAD MARK FOR MAPS 68
 ST. FRANCIS No. 1
 FORMER MATERIAL CO., INC.
 W. L. SALMONS



CROWLEY RIDGE GRAVEL



LEGEND

Yellow = Proposed Sale.
 Gross & Net = 86.25± acres

ST. LOUIS SOUTHWESTERN
Railway Company
EXHIBIT "A"

Office Of Reg. Director, Dallas

Proposed Sale To
 City of Jonesboro
 Jonesboro, Arkansas

Scale 1" = 400'	PN 3,4,6,7,9
Val. Sec SSW V8/7	ES
Route No. TCT	Drw No
Date 05/25/1994	MP 128
Drawn By KEB	Rack 72

BEING A PORTION OF LAND DESCRIBED IN DEED FROM W.M. NEFF TO ST. LOUIS, SOUTHWESTERN RAILWAY COMPANY AS RECORDED IN DEED BOOK 19, PAGE 464 DATED OCTOBER 17, 1900 AND FROM C.P. POE TO ST. LOUIS, SOUTHWESTERN RAILWAY COMPANY AS RECORDED IN DEED BOOK 20, PAGE 147, DATED OCTOBER 1, 1900 AND FROM R.M. FRAYSER TO ST. LOUIS, SOUTHWESTERN RAILWAY COMPANY AS RECORDED IN DEED BOOK 36, PAGE 89 DATED AUGUST 19, 1911, ALL RECORDED IN THE OFFICE OF THE CURCUIT CLERK IN THE WESTERN DISTRICT OF CRAIGHEAD COUNTY, ARKANSAS, ALSO BEING DESCRIBED AS: A PART OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST, JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

CERTIFICATE OF SURVEY: THIS IS TO CERTIFY THAT HAYWOOD, KENWARD AND ASSOCIATES, CIVIL ENGINEERS AND PROFESSIONAL LAND SURVEYORS, SURVEYED IN STRICT ACCORDANCE WITH "ARKANSAS MINIMUM STANDARDS FOR PROPERTY BOUNDARIES AND PLATS", THE FOLLOWING PARCELS OF LAND DESCRIBED HEREON.

A PART OF THE NW1/4 OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST, JONESBORO, CRAIGHEAD COUNTY, ARKANSAS, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGIN AT THE NORTHEAST CORNER OF THE NW1/4 OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST; THENCE S00°08'19"W IN THE 1/4 SECTION LINE 2643.86' TO THE CENTER OF AFORESAID SECTION 22; THENCE S88°25'33"W ON THE 1/4 SECTION LINE 1307.96' TO THE 40 ACRE LINE; THENCE N00°08'19"W ON THE 40 ACRE LINE 1318.38'; THENCE S87°44'38"W - 324.30'; THENCE N61°41'38"W - 234.99'; THENCE N01°31'21"W - 330.00'; THENCE N83°34'17"E - 250.00'; THENCE N41°23'58"E - 549.72'; THENCE N15°30'02"W - 288.20'; THENCE N34°14'11"E - 151.27'; THENCE N54°09'44"E - 93.04' TO THE SECTION LINE; THENCE N88°15'37"E ON THE SECTION LINE 1161.82' TO THE POINT OF BEGINNING, CONTAINING 85.57 ACRES, MORE OR LESS, SUBJECT TO ALL RIGHTS OF WAY AND EASEMENTS OF RECORD.

LESS AND EXCEPT: A PART OF THE NW1/4 OF SECTION 22, TOWNSHIP 14 NORTH, RANGE 3 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGIN AT THE NORTHEAST CORNER OF THE NW1/4 OF AFORESAID SECTION 22; THENCE S00°08'19"W ON THE 1/4 SECTION LINE 2643.86' TO THE CENTER OF AFORESAID SECTION 22; THENCE S88°25'33"W ON THE 1/4 SECTION LINE 1307.96' TO THE 40 ACRE LINE; THENCE N00°08'19"W ON THE 40 ACRE LINE 1318.38'; THENCE N89°21'17"E - 467.37' TO THE POINT OF BEGINNING PROPER; THENCE N01°19'14"W - 272.00'; THENCE N8E°41'07"E - 268.00'; THENCE S01°19'14"E - 272.00'; THENCE S88°41'07"W - 268.00' TO THE POINT OF BEGINNING PROPER, CONTAINING 1.67 ACRES, MORE OR LESS, SUBJECT TO ALL RIGHTS OF WAY AND EASEMENTS OF RECORD.

LESS AND EXCEPT: AN EXISTING PUBLIC ROADWAY 40' WIDE ACROSS THE SE1/4, NW1/4 OF AFORESAID SECTION 22, THE CENTERLINE OF SAID ROADWAY BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGIN AT THE NORTHEAST CORNER OF THE NW1/4 OF SECTION 22; THENCE S00°08'19"W ON THE 1/4 SECTION LINE 2304.26' TO THE CENTERLINE OF SAID ROADWAY, THE POINT OF BEGINNING PROPER; THENCE WITH THE MEANDERINGS WITH SAID ROADWAY CENTERLINE AS FOLLOWS: N65°03'16"W - 57.93'; N70°34'08"W - 320.63'; N79°10'43"W - 216.43'; S81°58'52"W - 190.48'; S68°27'02"W - 298.02'; S86°52'07"W - 125.10'; N56°55'03"W - 127.22'; N45°03'54"W - 63.21' TO THE 40 ACRE LINE, THE POINT OF TERMINATION, CONTAINING 1.28 ACRES, MORE OR LESS, SUBJECT TO ALL RIGHTS OF WAY AND EASEMENTS OF RECORD. SAID ROADWAY CENTERLINE BEING 1399.02 FEET IN LENGTH ACROSS AFORESAID 40 ACRE TRACT, CONTAINING LESS SAID EXCEPTIONS, 82.62 ACRES, MORE OR LESS, SUBJECT TO ALL RIGHTS OF WAY AND EASEMENTS OF RECORD.

MONUMENTS WERE FOUND OR SET AS NOTED ON THE PLAT OF SURVEY HEREON.

THE ABOVE DESCRIBED PARCELS OF LAND ARE NOT WITHIN THE JONESBORO, CRAIGHEAD COUNTY, ARKANSAS FLOOD HAZARD ZONE AS SHOWN ON THE FLOOD INSURANCE RATE MAP NUMBERS 05031C0131-C & 05031C0150-C, EFFECTIVE DATE SEPTEMBER 27TH 1991.

I, TERRY BARE, ARKANSAS PROFESSIONAL LAND SURVEYOR NO.1048, DO HEREBY CERTIFY THAT THE DESCRIPTIONS AND SURVEY ARE BASED ON AN ACTUAL SURVEY ON THE GROUND AND THAT THE VISIBLE IMPROVEMENTS AND ENCROACHMENTS ARE AS SHOWN ON THE PLAT OF SURVEY HEREON.

SIGNED THIS 22ND DAY OF JULY, 1994. BY:

New Class IV


TERRY BARE, P.L.S., ARKANSAS NO.1048



PLAT OF SURVEY LOUIS/SOUTHWESTERN RAILWAY THE CITY OF JONESBORO, ARKAN

PREPARED BY
HAYWOOD, KENWARD & ASSOCIATES, INC.
CIVIL ENGINEERS, LAND SURVEYORS & PLANNERS
603 SOUTHWEST DRIVE, SUITE A
JONESBORO, ARKANSAS 72401
TEL 1-501-932-2019 FAX 1-501-932-1076