

ENVIRONMENTAL COVENANT

GRANTOR: K/G Whiteford Limited Partnership

PROPERTY ADDRESS: 1201 Eden Road (formerly 640 Whiteford Road), York,
Pennsylvania 17402

ENVIRONMENTAL COVENANT

This Environmental Covenant is executed pursuant to the Pennsylvania Uniform Environmental Covenants Act, Act No. 68 of 2007, 27 Pa. C.S. §§ 6501 - 6517 ("UECA"). This Environmental Covenant subjects the property identified in Paragraph 1 to the activity and/or use limitations in this document. As indicated later in this document, this Environmental Covenant has been approved by the United States Environmental Protection Agency ("EPA") and the Pennsylvania Department of Environmental Protection ("Department").

1. **Property affected.** The property affected ("Property") by this Environmental Covenant is located in Springettsbury Township, York County, Pennsylvania. The postal street address of the Property is: 1201 Eden Road, York, PA 17402.

The County Parcel Identification No. of the Property is: 46-000-JI-0034-E0-00000.

The latitude and longitude of the center of the Property affected by this Environmental Covenant is: N 39.98113 and W -76.71376.

The Property has been known by the following names: Former Cole Office Environments, Pfaltzgraff, and Cresticon, Inc.

A complete metes and bounds description of the Property is attached to this Environmental Covenant as Exhibit A. A map of the Property is attached to this Environmental Covenant as Exhibit B.

2. **Property Owner / GRANTOR.** Grantor is the owner of the Property. The mailing address of the Grantor/Owner is: c/o Kinsley Properties, 6259 Reynolds Mill Road, Seven Valleys, PA 17360

3. **Holder / GRANTEE.** The following is the "Holder", as that term is defined in 27 Pa. C.S. § 6501, of this Environmental Covenant: K/G Whiteford Limited Partnership, c/o Kinsley Properties 6259 Reynolds Mill Road, Seven Valleys, PA 17360.

4. **Description of Contamination & Remedy.**

Cole Office Environments, Cole Division, Litton Corporation ("Litton"), used the

Property to fabricate furniture parts and assemble office furniture. As a result of Litton's operations, the Property became contaminated with nickel and chromium in soil and groundwater .

Since 1991, PCE and TCE have been detected above their respective Maximum Contaminant Levels ("MCLs"), promulgated at 40 CFR Part 141 pursuant to Section 1412 of the Safe Drinking Water Act, 42 U.S.C. Sections 300g-1, in groundwater at Property. Based on several EPA and Department studies, the source of the PCE and TCE is the Harley-Davidson facility, which is located north and hydraulically upgradient to the Property. Harley-Davidson is addressing the VOC groundwater contamination relating to its facility under EPA and the Department's oversight.

In 1997, in accordance with the provisions of Pennsylvania Land Recycling and Environmental Remediation Standards Act ("Act 2"), Litton began remediating three (3) Areas of Concern ("AOCs") identified on the Property: Former Plating Area, Former Underground Storage Tank ("UST") Area, and Chlorinated VOCs in Regional Groundwater. A Final Report for each AOC was submitted to and approved by the Department in accordance with Act 2 in July, October and December 2000, respectively. The Owner purchased the Property in December 2000.

In a December 2011 Final Decision and Response to Comments ("FDRTC"), EPA selected a Final Remedy for the Property under the federal Corrective Action Program. EPA's Final Remedy for the Property consists of: (1) the inspection, operation and maintenance of a constructed concrete slab under the Former Plating Area where contaminants remain in the soil above relevant EPA Risk Screening levels ("RSLs") and Department Statewide Health Standards ("SHSs") for non-residential soil ("EC Area"), and (2) the compliance with and maintenance of institutional controls (ICs) to minimize the potential for human exposure to contamination and/or protect the integrity of the remedy by limiting land or resource use.

Because contamination will remain in the soil and groundwater at the Property, EPA is requiring the activity and use limitations listed in Paragraph 5, below.

The Administrative Record pertaining to the Final Remedy selected in the FDRTC is located at U.S. Environmental Protection Agency, Region III, Land and Chemicals Division, 1650 Arch Street, Philadelphia, PA 19103.

5. **Activity & Use Limitations.** The Property is subject to the following activity and use limitations, which the Owner and each subsequent owner of the Property shall abide by:

- 1) The Property shall be restricted to use as non-residential property, as defined by the Pennsylvania Land Recycling and Environmental Remediation Standards Act, 35 P.S. § 6026.103, as:

any real property on which commercial, industrial, manufacturing or any other activity is done to further either the development, manufacturing or distribution of goods and services, intermediate and final products, including, but not limited to, administration of business activities, research and development, warehousing, shipping, transport, remanufacturing, stockpiling of raw materials, storage, repair and maintenance of commercial machinery and equipment, and solid waste management. This term shall not include schools, nursing homes or other residential-style facilities or recreational areas.

Retail uses of the Property qualify as non-residential uses and are permitted uses per the terms of this Environmental Covenant provided that any such retail use does not include a residential use component. In addition, the Property shall not be used for residential purposes unless it is demonstrated to the Department and EPA that such use will not pose a threat to human health or the environment or adversely affect or interfere with the Final Remedy and the Department and EPA provide prior written approval for such use;

- 2) Groundwater from beneath the Property shall not be used for any purpose other than to conduct the operation, maintenance, and monitoring activities required by the Department and EPA, unless it is demonstrated to the Department and EPA that such use will not pose a threat to human health or the environment or adversely affect or interfere with the Final Remedy and the Department and EPA provide prior written approval for such use;
- 3) All earth moving activities in the EC Area, including excavation, drilling and construction activities, shall be prohibited unless it is demonstrated to the Department and EPA that such activity will not pose a threat to human health or the environment or adversely affect or interfere with the Final Remedy and the Department and EPA provide prior written approval for such use; and
- 4) The Owner shall maintain the integrity and protectiveness of the existing concrete slab under the EC Area. The Owner shall inspect the existing concrete slab under the Former Plating Area where contaminants remain in the soil above relevant EPA RSLs and PADEP SHSs for non-residential soil on a biennial basis to ensure that the integrity and protectiveness of the slab is maintained and provide a report consistent with paragraph 7, below, documenting the findings of the inspection to the Department and EPA.

6. **Notice of Limitations in Future Conveyances.** Each instrument hereafter conveying any interest in the Property subject to this Environmental Covenant shall contain a notice of the activity and use limitations set forth in this Environmental

Covenant and shall provide the recorded location of this Environmental Covenant.

In the event Owner intends to sell part or all of the Property, Owner will notify EPA and the Department at least thirty (30) calendar days prior to such sale and provide written documentation to EPA and the Department which demonstrates that the Owner has provided notice to the buyer of the restrictions placed on groundwater use.

7. **Compliance Reporting.** Every second January following the effective date of this Environmental Covenant, the Owner and each subsequent owner shall submit, to EPA and the Department, written documentation stating whether or not the activity and use limitations in this Environmental Covenant are being abided by. In addition, within (30) calendar days after any of the following events, the current owner of the Property shall submit, to EPA and the Department and any Holder listed in Paragraph 3, written documentation regarding: noncompliance with the activity and use limitations in this Environmental Covenant; transfer of the Property; changes in use of the Property; or filing of applications for building permits for the Property and any proposals for any work, if the building or proposed work will affect the contamination on the Property subject to this Environmental Covenant.

8. **Access by the Agencies.** In addition to any rights already possessed by EPA and the Department, this Environmental Covenant grants to EPA and the Department a right of access of the Property in connection with implementation or enforcement of this Environmental Covenant.

9. **Recordation & Proof & Notification.** Within thirty (30) calendar days after the date of EPA's approval of this Environmental Covenant, the Owner(s) shall file this Environmental Covenant with the Recorder of Deeds for York County, and send a file-stamped copy of this Environmental Covenant to EPA and the Department within sixty (60) calendar days of recordation. Within that time period, the Owner(s) also shall send a file-stamped copy to each of the following: York County; the Holder identified in this Environmental Covenant; each person holding a recorded interest in the Property, and each person in possession of the Property.

10. **Termination or Modification.** This Environmental Covenant may only be terminated or modified in accordance with Section 9 of UECA, 27 Pa. C.S. § 6509. The Owner may also request termination of the Environmental Covenant when it determines, on the basis of analytical results, that each of the groundwater contaminants listed in paragraph 4, above, has not exceeded its respective MCLs for three continuous years and the soil contaminants listed in paragraph 4, above, no longer remain in Property soil, and receives EPA's written approval that this Environmental Covenant may be terminated.

11. **Agencies' addresses.** Communications with EPA and the Department regarding this Environmental Covenant shall be sent to:

Director, Land and Chemicals Division
U.S. Environmental Protection Agency Region III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

Pennsylvania Department of Environmental Protection
Rachel Carson State Office Building
P. O. Box 8471
Harrisburg, Pennsylvania 17105-8471

Exhibit A: Metes and bounds description of the Property

Exhibit B: Map of the Property

ACKNOWLEDGMENTS by Owner/Holder in the following form:

K/G Whiteford Limited Partnership, "Owner/Holder"

Date:

By: K/G Whiteford, LLC, General Partner

By: Kinsley Equities II Limited Partnership, Member
By: KIN, LLC, Managing Partner

By: 
Robert A. Kinsley, Managing Member


By: York Transportation and Leasing, Inc., Member

By: 
Paul L. Rudy, Secretary

STATE OF PENNSYLVANIA
COUNTY OF YORK SS:

On this 19th day of June 2012, before me, a Notary Public, personally appeared Robert A. Kinsley, known to me to be the person whose name is subscribed to the foregoing instrument on behalf of Kinsley Equities II Limited Partnership, and that he, as authorized signatory for one of the two members of the General Partner of Owner/Grantor, and being authorized to do so, executed the foregoing Environmental Covenant on behalf of Kinsley Equities II Limited Partnership and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

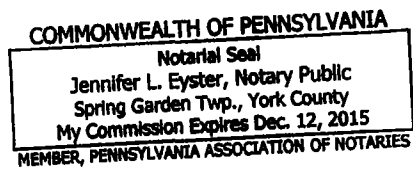

Notary Public COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Neida R. Lau, Notary Public
York Twp., York County
My Commission Expires May 26, 2015
Member, Pennsylvania Association of Notaries

STATE OF PENNSYLVANIA
COUNTY OF YORK SS:

On this 21st day of June 2012, before me, a Notary Public, personally appeared Paul L. Rudy, known to me to be the person whose name is subscribed to the foregoing instrument on behalf of York Transportation and Leasing, Inc., and that he, as authorized signatory for one of the two members of the General Partner of Owner/Grantor, and being authorized to do so, executed the foregoing Environmental Covenant on behalf of York Transportation and Leasing, Inc. and acknowledged that he executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Jennifer L Eyster
Notary Public



APPROVED by the United States Environmental Protection Agency

Date: 8/21/12 By: *Abraham Ferdas*
Name: Abraham Ferdas
Title: Director, Land and Chemicals Division

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF PHILADELPHIA) SS:

On this 21st day of August, 2012, before me, the undersigned officer, personally appeared Abraham Ferdas, who acknowledged himself to be the Director, Land and Chemicals Division of the United States Environmental Protection Agency, Region III, whose name is subscribed to this Environmental Covenant, and acknowledged that he executed same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.

Patricia J. Schwenke
Notary Public

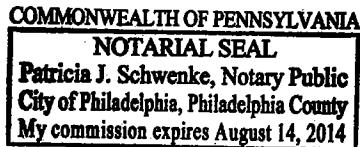


Exhibit A

General Legal Description

All that certain tract of land situate in Springettsbury Township, York County, Commonwealth of Pennsylvania, being shown on an unrecorded plan entitled "Environmental Covenant Exhibit B" prepared by LSC Design, dated April 19, 2012, more particularly bounded and described as follows, to wit:

BEGINNING at a point on the southern right-of-way line of U.S. Route 30, said point being the northwest corner of lands now or formerly of YCIDA, c/o Scrivner of PA; extending thence along said last mentioned lands S 14°34'21.92" W for a distance of 938.389 feet to a point at lands now or formerly of remaining lands of Manor Real Estate Company; extending thence along said last mentioned lands the following three (3) courses and distances, namely: (1) by a curve to the right having a radius of 328.270 feet for a distance of 622.923 feet, the chord of which is N 88°01'53.08" W for a distance of 533.58 feet to a point; (2) N 33°40'08.08" W for a distance of 111.730 feet to a point; (3) by a curve to the left having a radius of 360.000 feet for a distance of 300.498 feet, the chord of which is N 57°34'48.08" W for a distance of 291.85 feet to a point; extending thence N 17°12'41.92" E for a distance of 46.260 feet to a point on the northern right-of-way line of Eden Road, a public street; extending thence along the southern right-of-way line of Eden Road by a curve to the left having a radius of 375.000 feet for a distance of 33.121 feet, the chord of which is N 85°26'26.72" W for a distance of 33.11 feet to a point at lands now or formerly of Associated Wholesalers; extending thence along said last mentioned lands N 14°34'21.92" E for a distance of 574.170 feet to a point on the southern right-of-way line of U.S. Route 30; extending thence along the southern right-of-way line of U.S. Route 30 the following five (5) courses and distances, namely: (1) S 70°48'16.08" E for a distance of 122.280 feet to a point; (2) N25°52'09.34" E for a distance of 3.760 feet to a point, (3) by a curve to the right having a radius of 322.010 feet for a distance of 233.272 feet, the chord of which is N 46°35'15.34" E for a distance of 228.20 feet to a point; (4) S 81°28'32.08" E for a distance of 463.562 feet to a point; (5) S 86°22'10.08 E for a distance of 211.618 feet to a point at lands now or formerly of YCIDA, c/o Scrivner of PA and the place of BEGINNING.

Containing 19.443 Acres.

project name / owner

**K.G. WHITEFORD
LIMITED PARTNERSHIP**
1203 Eden Road
York, PA

Springettsbury Twp, York County, PA

seal / stamp

Professional seal and stamp of a registered professional engineer or a duly licensed architect or landscape architect in the State of Maryland. License No. _____ Expiration Date: _____

lscdesign
architects engineers

project team

Surveyor:
LSC Design Inc
1400 East Business Street
York, PA 17403
(717) 845-8383

revisions

no.	date	description
1	6/8/2012	Comments per EPA
2	7/6/2012	Comments per EPA

key plan

project north

See Plan

© 2010, LSC Design, Inc. - All Rights Reserved. These drawings are the property of LSC Design, Inc. and no reproduction of these plans, in whole or in part, without the written permission of LSC Design, Inc. is forbidden.

date 4-19-2012 project mgr. KAC

project no. 2006.0286.02

drawing set

EXHIBIT PLAN

drawing title

**ENVIRONMENTAL
COVENANT
EXHIBIT "B"**

sheet no.

EX-B

