

**PUBLIC AUCTION - OFFER TO PURCHASE REAL PROPERTY PACKET –
CORNER OF ROLLER AND THE NORTHERN ENTRANCE TO ARCH STREET**

April 19, 2013

TO: Prospective Bidders at the Offer to Purchase Public Auction of City-Owned Real Property on the corner of Roller Street and the Northern Entrance to Arch Street

The real property is located on the west side of Roller Street and the south side of the northern entrance of Arch Street, Kingsport, Tennessee, 11th Civil District of Sullivan County, Tennessee. The property is described as follows:

BEGINNING on an iron pin at the intersection of the Southwesterly line of Arch Street with the Northwesterly line of Roller Street, a corner for Lot 31, Block 38; thence with said line of Roller Street and the lines of Lots 31, 30 & 29 S 38° 02' 00" W, a distance of 158.00 feet to an iron pin corner to lot 28; thence with the line common to Lots 28 & 29 N 51° 58' 00" W, a distance of 150.00 feet to an iron pin in the line of Lot 25; thence with same N 38° 02' 00" E, a distance of 50.00 feet to an iron pipe at the common corner for Lots 16, 25, 29 & 30; thence with the lines of Lots 16 & 17 and Lots 25 & 24 N 51° 58' 00" W, a distance of 120.00 feet to an iron pin at a common corner for Lots 17, 18, 23 & 24; thence with the line for Lots 17 & 18 N 38° 02' 00" E, a distance of 108.00 feet to a drill hole in a concrete walk in the Southwesterly line of Arch Street; thence with same and the lines of lots 17, 16 & 31 S 51° 58' 00" E, a distance of 270.00 feet to the POINT OF BEGINNING; and being Lots 16, 17, 29, 30 & 31, Block 38, containing 0.842 acre, more or less, as shown on a survey entitled "Quebecor World, Inc. Property" by Connelly Land Surveying, dated April 25, 2007, Joseph D. Connelly, Registered Land Surveyor, Tennessee No. 836, to which reference is here made.

And being a part of the property conveyed to the City of Kingsport, Tennessee by Special Warranty Deed from Quebecor World, Inc. dated November 30, 2007, recorded in Deed Book 2613C, Page 419 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee to all of which reference is hereby expressly made.

Map 046-H, Group J, Parcel 006.00

The City of Kingsport will conduct a public auction at City Hall, 225 West Center Street, Kingsport, Tennessee 37660, the property for the above described real property on April 30, 2013, 2013 at 10:00 A.M. Eastern Daylight Saving Time, which final bid is an offer to purchase the real property. The property consists of 0.842 acres, more or less and, if sold, will be sold as is and where is. If the offer is accepted by City of Kingsport, conveyance of the property will be by quitclaim deed, and without any warranty and subject to all subject restrictions, easements, encumbrances of record or apparent, and conveyance will be "as is" and "where is". Among other things the property has certain restrictions of record, and a right to reenter as described more fully in the attached material. Rezoning the property, if needed, will be the responsibility of the purchaser. A map is attached as Exhibit C generally depicting the location of the property.

IF YOU ARE INTERESTED IN BIDDING ON THIS REAL PROPERTY, YOU MUST CAREFULLY READ THE INFORMATION AND INSTRUCTIONS ON THE FOLLOWING 18 PAGES, WHICH INCLUDE THE TERMS OF SALE, A QUITCLAIM DEED, AND A PURCHASE AGREEMENT.

All prospective bidders must register, as explained in the following pages.

This property can be bid on as a whole, or as two separate properties. The minimum bid for this property as a whole parcel is 10% below appraised value or \$91,800.00. The minimum bid for Lots 16 and 17 of Block 38 is 10% below the appraised value or \$43,200.00. The minimum bid for Lots 29, 30, and 31 of Block 38 is 10% below the appraised value or \$67,500.00. **A deposit in the form of a check in the**

amount of ten percent (10%) of the final bid payable to the City of Kingsport, Tennessee must be provided with the final bid at the close of the auction. The deposit of the final bidder will be held as earnest money and is nonrefundable, unless the offer to purchase is not accepted by the Board of Mayor and Aldermen. If the offer to purchase is not accepted by the Board of Mayor and Aldermen the deposit will be returned to such bidder by certified mail without interest, as promptly as possible after the determination of the Board of Mayor and Aldermen not to accept the offer. At the close of the auction the final bidder will be required to execute the Final Bid as Offer to Purchase form set out in Exhibit F.

This is not an offer to sale the property by the City of Kingsport, but rather a request for an offer to purchase. The Kingsport Board of Mayor and Aldermen will decide whether to accept the final bid and reserves the right to accept or reject the final bid for any or no reason, at its sole discretion, and the board may waive any informalities.

By submitting the final bid at the auction the person or entity submitting such offer to purchase agrees that the offer to purchase is subject to all the terms contained herein, including the purchase agreement, the quitclaim deed and all other attachments in this packet, and the final bidder agrees that the offer to purchase will not be withdrawn for a period of sixty (60) days after the auction.

If you have question or need clarification of these instructions, you may contact me at (423) 229-9384.

Sincerely,
James Demming
City Recorder
City of Kingsport
225 West Center Street
Kingsport, Tennessee 37660

LOCATION OF PARCEL

The location of the real property is on the west side of Roller Street and the south side of the northern entrance of Arch Street, Kingsport, Tennessee, 11th Civil District of Sullivan County, Tennessee, 11th Civil District of Sullivan County, Tennessee. It is owned by the City of Kingsport and further identified on the Sullivan County Tax Maps as Map 046-H, Group J, Parcel 006.00.

GENERAL INFORMATION

The real property will be conveyed on an "as is" "where is" basis. Ignorance of any condition of the site will not allow the final bidder to withdraw or adjust the bid.

Prior to the submittal of a bid you are encouraged to secure firsthand information about the local real estate tax rate, utility services, zoning ordinances, building codes, and restrictions and easements on the property.

GENERAL INFORMATION ABOUT PROPERTY

1. Location: The address of the property is on the west side of Roller Street and the south side of the northern entrance of Arch Street, Kingsport, Tennessee, 11th Civil District of Sullivan County, Tennessee. The tax identification number is Map No. 046-H, Group J, Parcel 006.00.
2. Area of Site: 0.842 acres, more or less.
3. Present Zoning: R-4, Medium Density Apartment District.
4. Quit Claim Deed with legal description is attached.
5. Purchase Agreement is attached.
6. Taxes or Assessments Levied against Site: None known. Any taxes or assessments will be the responsibility of the Purchaser.
7. **This property is subject to:**

- (1) **A Notice of Land Use Restrictions filed in Deed Book 2613C, page 432 in the Office of the Register of Deeds for Sullivan County, Tennessee, which is a result of Brownfield Voluntary Agreement & Administrative Settlement between the Tennessee Department of Environment and Conservation (TDEC) and the City of Kingsport, Tennessee dated November 24, 2007. The site, which is the subject of the brownfield agreement, consists of 20+ acres formerly owned by Quebecor World Kingsport, Inc. and deeded to the City of Kingsport, Tennessee on November 30, 2007. The property that is the subject of this Public Auction is identified as Tract 3. Any future development of the site will require, at a minimum, a Phase 1 action plan submitted to and approved by TDEC. A copy of the Notice of Land Use Restrictions is attached as Exhibit D.**
- (2) **The restrictive covenants and right to reenter contained in the deed from Quebecor World of Kingsport, Inc., or its successor, to the City of Kingsport recorded in Deed Book 2613C, Page 419 in the Office of the Register of Deeds for Sullivan County, Tennessee. A copy of the deed is attached as Exhibit E.**
- (3) **Other easements, restrictions, encumbrances, of record and any use apparent by an inspection of the property.**

GENERAL TERMS OF OFFER TO PURCHASE

1. Preregistration of Bidders

All prospective bidders must register. A prospective bidder may register prior to the date of the Offer to Purchase Public Auction in person at the City Clerk's office, City of Kingsport, 225 West Center Street, Kingsport, Tennessee between 8:00 a.m. and 5:00 p.m. Monday through Friday. On the day of the auction, a prospective bidder may register prior to the auction, at the property. Registration will begin one hour prior to the beginning of the auction. Individuals, who have not registered will not be permitted to bid. Registration requires the name, address of the bidder, telephone number and other contact information of

the bidder, along with the name of the entity it represents, if any. The prospective bidder must also execute a document, provided by the city at the site, showing receipt of a copy of this Public Auction - Offer to Purchase Real Property Packet – Roller and Northern Entrance to Arch Street.

2. Announcements

The final bid will be subject to all announcements made on the day of the auction.

3. Binding Effect of Final Bid at Close of Auction

By submitting the final bid at the close of the auction above the minimum bid price, the final bidder is submitting the same as an offer to purchase and agrees that the offer to purchase is subject to all the terms contained herein, including all attachments. The final bidder agrees that the offer to purchase will not be withdrawn for a period of sixty (60) days after the auction. **At the close of the auction the final bidder will be required to execute the Final Bid as Offer to Purchase form set out in Exhibit F, and provide a deposit in the form of a check in the amount of ten percent (10%) of the final bid payable to the City of Kingsport, Tennessee.**

4. Purchase Agreement

The bidder of the final bid will after the close of the auction and prior to submission of the bid to the Board of Mayor and Aldermen for its consideration fully execute and submit to the Office of the City Attorney for the city, the purchase agreement, in the form set out in Exhibit B attached hereto. The purchase agreement will not contain any contingencies in favor of the final bidder. The purchase agreement, once executed will constitute the entire agreement between the parties, to be succeeded only by the formal conveyance instrument. Neither oral statements nor representations made by or for, or on behalf of either party, including representations in this document, shall become part of such purchase agreement; nor shall the purchase agreement or any interest therein be transferred or assigned by the final bidder without written consent of the Board of Mayor and Aldermen. After payment of the full purchase price, the City of Kingsport, Tennessee will convey title of the property to the bidder by quitclaim deed, with no warranty, and subject to all all restrictions, easements, encumbrances of record or apparent, and conveyance will be "as is" and "where is".

5. Acceptance of Offer to Purchase

The Board of Mayor and Aldermen of the City of Kingsport, Tennessee will determine whether to accept the final bid received at the auction, and reserves the right to accept or reject the bid for any reason or for no reason. If the bid is accepted the successful bidder must pay the full amount offered, less the deposit, within thirty days of the acceptance of the offer by the Board of Mayor and Aldermen.

6. Modification or Withdrawal of Offer

The City of Kingsport will not entertain claims from the final bidder for withdrawal or modification of the bid after the closing of the auction because of any other reason, including ignorance of the condition of the property offered for sale or misinterpretation of the terms and conditions of the sale.

7. Notice of Acceptance or Rejection of Offer to Purchase

The final bidder at the close of the auction will be notified of acceptance or rejection of the bid by the Board of Mayor and Aldermen.

8. Grounds for Rejection of Offer to Purchase

The Board of Mayor and Aldermen expressly reserves the right to reject the final bid for any or no reason, in its sole discretion. The board may determine not to sell the property, issue a call for new offers, sell the

property by private sale, or otherwise dispose of the property, as the board, in its sole discretion, determines. Any bid containing any qualifying or contingent clauses not mentioned herein will be rejected.

9. Forfeiture of Deposit

In the event of a default by the final bidder the deposit shall be forfeited. Additionally, the City of Kingsport may take such action, as it deems necessary and appropriate, due to the default of the final bidder.

10. Transfer of Title

Transfer of title to the property to the successful bidder will be by a quitclaim deed, without any warranty, and subject to all all restrictions, easements, encumbrances of record or apparent, and conveyance will be "as is" and "where is". A sample quitclaim deed, which includes the legal description, is attached hereto as Exhibit A.

11. Closing and Final Payment to City

If the final bidder's bid is accepted by the Board of Mayor and Aldermen the successful bidder will on a date, mutually agreeable with the city, but not later than 30 days after the execution of the Purchase Agreement by the city, tender to the City of Kingsport the balance of the purchase price. Upon receipt of that payment and the execution of such documents as are required to consummate the closing of the purchase, the City of Kingsport will deliver a quitclaim deed to the successful bidder.

12. Title Search and Title Insurance

The successful bidder assumes the expense of procuring any title search, title abstracts or title insurance that it may require.

13. Survey and Rezoning

No survey has been completed on the parcel. The successful bidder assumes any and all costs of surveying and rezoning.

14. Special Assessments

The successful bidder will assume the payment of any unpaid deferred charges or special assessments for public improvements levied against the parcel, including any tap fees for water or sewer service.

15. Real Estate Taxes

The successful bidder will be liable for all real estate taxes levied against the property after title is transferred.

16. Deposit Must Accompany Offer

The offer to purchase submitted must be accompanied by a deposit in the form of a check, payable to the "City of Kingsport, Tennessee" in the amount of ten percent (10%) of the final bid. Cash will not be accepted. Failure to provide the deposit will result in rejection of the bid. Upon acceptance of an offer, the appropriate deposit of the accepted offer will be applied toward payment of the final bidder's obligation to the City of Kingsport, Tennessee. The deposit of the final bidder will be held as earnest money and will be nonrefundable, unless the offer to purchase is not accepted by the Board of Mayor and Aldermen. In that event the deposit will be returned to such bidder by certified mail without interest, as promptly as possible after the determination of the Board of Mayor and Aldermen not to accept the offer.

17. Minimum Offer Required

Offer to Purchase Real Property Packet – Corner of Roller Street and the Northern Entrance to Arch Street

This property can be bid on as a whole, or as two separate properties. The minimum bid for this property as a whole parcel is 10% below appraised value or \$91,800.00. The minimum bid for Lots 16 and 17 of Block 38 is 10% below the appraised value or \$43,200.00. The minimum bid for Lots 29, 30, and 31 of Block 38 is 10% below the appraised value or \$67,500.00. No bid less than that amount will be considered.

EXHIBIT A

QUITCLAIM DEED

This instrument was prepared by:
J. Michael Billingsley, City Attorney
225 West Center Street, Kingsport, Tennessee 37660

QUITCLAIM DEED

THIS QUITCLAIM DEED made and entered into this the ____ day of _____, 2013, by and between the CITY OF KINGSPORT, TENNESSEE, a municipal corporation, Grantor, and _____, Grantee.

WITNESSETH:

FOR AND IN CONSIDERATION of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Grantor does hereby convey, remise, release and quitclaim unto Grantee, Grantee's heirs, successors and assigns all of Grantor's right, title and interest in and to a certain tract of land in Sullivan County, Tennessee, described as follows, to wit:

Situate, lying and being in the City of Kingsport, Eleventh (11th) Civil District of Sullivan County, Tennessee:

BEGINNING on an iron pin at the intersection of the Southwesterly line of Arch Street with the Northwesterly line of Roller Street, a corner for Lot 31, Block 38; thence with said line of Roller Street and the lines of Lots 31, 30 & 29 S 38° 02' 00" W, a distance of 158.00 feet to an iron pin corner to lot 28; thence with the line common to Lots 28 & 29 N 51° 58' 00" W, a distance of 150.00 feet to an iron pin in the line of Lot 25; thence with same N 38° 02' 00" E, a distance of 50.00 feet to an iron pipe at the common corner for Lots 16, 25, 29 & 30; thence with the lines of Lots 16 & 17 and Lots 25 & 24 N 51° 58' 00" W, a distance of 120.00 feet to an iron pin at a common corner for Lots 17, 18, 23 & 24; thence with the line for Lots 17 & 18 N 38° 02' 00" E, a distance of 108.00 feet to a drill hole in a concrete walk in the Southwesterly line of Arch Street; thence with same and the lines of lots 17, 16 & 31 S 51° 58' 00" E, a distance of 270.00 feet to the POINT OF BEGINNING; and being Lots 16, 17, 29, 30 & 31, Block 38, containing 0.842 acre, more or less, all as shown on a survey entitled "Quebecor World, Inc. Property" by Connelly Land Surveying, dated April 25, 2007, Joseph D. Connelly, Registered Land Surveyor, Tennessee No. 836, to which reference is here made.

This conveyance is subject to all restrictions, easements, and encumbrances of record including, but not limited to, Notice of Land Use Restrictions recorded in deed book 2613C, page 432 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee, and the restrictive covenants and right to reenter contained in the deed from Quebecor World of Kingsport, Inc., to the City of Kingsport recorded in deed book 2613C, page 419 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee, which shall constitute restrictions and covenants running with the land and burdening the Property, binding upon Grantee, its successors and assigns, and all subsequent owners of the Property, and enforceable by Grantor and its successors and assigns, and this conveyance is made "as is" and "where is".

The conveyance is also subject to the Brownfield Agreement between the Grantor and Tennessee Department of Environment and Conservation (TDEC), the Order approving such, and the Plan of Action approved by TDEC. Grantee, or its successors in interest, will not breach the surface or subsurface concrete and asphalt of the Property without approval by Grantor, TDEC, and if required pursuant to any other agreement or restriction of record, Quebecor World Kingsport, Inc., or its successors in interest.

And being a part of the property conveyed to the City of Kingsport, Tennessee by deed of Quebecor World Kingsport, Inc. dated November 30, 2007, and recorded in Deed Book 2613C, Page 419 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee, to all of which reference is hereby expressly made.

Map 046-H, Group J, Parcel 006.00

Offer to Purchase Real Property Packet – Corner of Roller Street and the Northern Entrance to Arch Street

This conveyance is expressly made subject to all covenants, conditions, restrictions, and reservations contained in former deeds and other instruments of record applicable to said property, and any easements apparent form an inspection of said property and is conveyed "as is, where is".

IN WITNESS WHEREOF, the Party of the First Part hereunto signs its name and affixes its seal on the day and year first above written.

CITY OF KINGSPORT, TENNESSEE

By: _____
DENNIS R. PHILLIPS, Mayor

ATTEST:

James H. Demming, City Recorder

APPROVED AS TO FORM:

J. Michael, Billingsley, City Attorney

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared Dennis R. Phillips, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the Mayor of CITY OF KINGSPORT, TENNESSEE, the within-named bargainor, a municipal corporation, and that he as such Mayor executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Mayor.

WITNESS my hand and official seal this ____ day of _____, 2013.

Notary Public

My commission expires:

STATE OF TENNESSEE
COUNTY OF SULLIVAN

The undersigned affiant, being first duly sworn, makes oath that the actual consideration for the foregoing transfer, or the value of the property hereinbefore described, whichever is greater, is _____.

Affiant

SWORN TO AND SUBSCRIBED before me, this ____ day of _____, 2013.

Notary Public

My commission expires:

Name and address of the person or entity responsible
for the payment of the real property tax:

EXHIBIT B

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT is hereby made and entered into by and between City of Kingsport, Tennessee, a municipal corporation, (herein called "Seller") and _____, (herein called "Buyer").

WITNESSETH:

For and in consideration of the sum of _____ (\$ _____) Dollars, as earnest money paid, and in part payment of the purchase price, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby agrees to sell to Buyer, and Buyer hereby agrees to purchase from Seller, a certain tract of real property located in Sullivan County, Tennessee, together with any improvements thereon and all easement, covenants, licenses, and other rights appurtenant to said real property, said real property being generally described as follows:

Situate, lying and being in the City of Kingsport, Eleventh (11th) Civil District of Sullivan County, Tennessee:

BEGINNING on an iron pin at the intersection of the Southwesterly line of Arch Street with the Northwesterly line of Roller Street, a corner for Lot 31, Block 38; thence with said line of Roller Street and the lines of Lots 31, 30 & 29 S 38° 02' 00" W, a distance of 158.00 feet to an iron pin corner to lot 28; thence with the line common to Lots 28 & 29 N 51° 58' 00" W, a distance of 150.00 feet to an iron pin in the line of Lot 25; thence with same N 38° 02' 00" E, a distance of 50.00 feet to an iron pipe at the common corner for Lots 16, 25, 29 & 30; thence with the lines of Lots 16 & 17 and Lots 25 & 24 N 51° 58' 00" W, a distance of 120.00 feet to an iron pin at a common corner for Lots 17, 18, 23 & 24; thence with the line for Lots 17 & 18 N 38° 02' 00" E, a distance of 108.00 feet to a drill hole in a concrete walk in the Southwesterly line of Arch Street; thence with same and the lines of lots 17, 16 & 31 S 51° 58' 00" E, a distance of 270.00 feet to the POINT OF BEGINNING; and being Lots 16, 17, 29, 30 & 31, Block 38, containing 0.842 acre, more or less, all as shown on a survey entitled "Quebecor World, Inc. Property" by Connelly Land Surveying, dated April 25, 2007, Joseph D. Connelly, Registered Land Surveyor, Tennessee No. 836, to which reference is here made.

This conveyance is subject to all restrictions, easements, and encumbrances of record including, but not limited to, Notice of Land Use Restrictions recorded in deed book 2613C, page 432 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee, and the restrictive covenants and right to reenter contained in the deed from Quebecor World of Kingsport, Inc., to the City of Kingsport recorded in deed book 2613C, page 419 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee, which shall constitute restrictions and covenants running with the land and burdening the Property, binding upon Grantee, its successors and assigns, and all subsequent owners of the Property, and enforceable by Grantor and its successors and assigns, and this conveyance is made "as is" and "where is".

The conveyance is also subject to the Brownfield Agreement between the Grantor and Tennessee Department of Environment and Conservation (TDEC), the Order approving such, and the Plan of Action approved by TDEC. Grantee, or its successors in interest, will not breach the surface or subsurface concrete and asphalt of the Property without approval by Grantor, TDEC, and if required pursuant to any other agreement or restriction of record, Quebecor World Kingsport, Inc., or its successors in interest.

And being a part of the property conveyed to the City of Kingsport, Tennessee by deed of Quebecor World, Inc. dated November 30, 2007 and recorded in Deed Book 2613C, Page 419 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee, to all of which reference is hereby expressly made.

Map 046-H, Group J, Parcel 006.

All property and interests of Seller, to be conveyed hereunder are herein sometimes collectively called the "Property".

THIS SALE IS MADE ON THE FOLLOWING TERMS AND CONDITIONS:

SECTION 1. PURCHASE PRICE. The purchase price for the Property shall be the sum of exactly _____ Dollars, which sum shall be payable as follows:

- a) The sum of _____ Dollars has been deposited with Seller, as earnest money with the execution of this Agreement, and which earnest money is not refundable to Buyer.
- (b) The balance of _____ Dollars shall be payable at the closing of the sale in cash or by cashier's check. Such amount shall be reduced or increased by reason of prorations and other adjustments as hereinafter provided.

SECTION 2. CONVEYANCE OF PROPERTY. Upon payment of the full purchase price by Buyer as hereinbefore set out, Seller shall convey title to the real property to Buyer by quitclaim deed without warranty, which conveyance shall be subject to all restrictions, easements, encumbrances of record or apparent, including (1) A Notice of Land Use Restrictions filed in Deed Book 2613C, page 432 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee, which is a result of Brownfield Voluntary Agreement & Administrative Settlement between the Tennessee Department of Environment and Conservation (TDEC) and the City of Kingsport, Tennessee dated November 24, 2007; (2) The restrictive covenants and right to reenter contained in the deed from Quebecor World of Kingsport, Inc., or its successor, to the City of Kingsport recorded in Deed Book 2613C, Page 419 in the Office of the Register of Deeds for Sullivan County, at Blountville, Tennessee; and (3) Other easements, restrictions, encumbrances, of record and any use apparent by an inspection of the property, and conveyance will be "as is" and "where is."

SECTION 3. CLOSING. Subject to the conditions set out in this Agreement, the closing shall occur on or before thirty (30) days after the date of execution of this Agreement by Seller, as shown by the date on the acknowledgment of the Seller's signature, (the "Closing Date"), at a time and location mutually agreed upon by the parties or, upon failure of the parties to agree, at a time and place specified by Seller (the "Closing"). Buyer and Seller agree to deliver and execute such documents as may be reasonable and necessary in the opinion of counsel for Seller and Buyer to consummate and close the purchase and sale contemplated herein pursuant to the terms and provisions hereof.

SECTION 4. SURVEY. Upon the execution of this Agreement, Buyer may, at Buyer's cost, cause a survey to be prepared on the Real Property by a licensed surveyor acceptable to Buyer.

SECTION 5. TITLE INSURANCE. Buyer, at its expense, may secure an owner's title insurance commitment to issue a title insurance policy insuring Buyer's fee simple interest in the Real Property to the extent of the Purchase Price.

SECTION 6. POSSESSION. Delivery of possession of the Real Property shall occur at Closing.

SECTION 7. NOTICE. Any notice or demand on either party hereunder shall be deemed to have been given when mailed to the other party by Certified Mail, Return Receipt Requested, postage prepaid at the addresses set forth below:

SELLER: City of Kingsport, Tennessee
225 West Center Street
Kingsport, Tennessee 37660
Attention: J. Michael Billingsley

BUYER:

SECTION 8. PRORATIONS. If applicable, all real estate taxes and assessments shall be prorated as of the Closing Date, using for such purpose the rate and valuation shown on the latest available tax notice.

SECTION 9. REZONING. Buyer assumes any and all costs of rezoning.

SECTION 10. SPECIAL ASSESSMENTS. Buyer assumes the payment of any unpaid deferred charges or special assessments for public improvements levied against the parcel, including any tap fees for water or sewer service.

SECTION 11. REAL ESTATE TAXES. Buyer will be responsible for all real estate taxes levied against the property after title is transferred.

SECTION 12. EXPENSES OF SELLER. In closing this transaction, Seller shall be charged with the following:

- (a) The cost of preparation of the quitclaim deed;
- (b) The fees and expenses of any attorney or other advisor engaged by Seller in connection with this transaction; and
- (c) The commission or fees charged by any real estate broker or agent retained or used by the Seller in connection with this transaction.

SECTION 13. EXPENSES OF BUYER. In closing this transaction, Buyer shall be charged with the following:

- (a) The cost of any title search and title insurance policy;
- (b) The cost of recording the deed and any transfer tax associated with such deed;
- (c) Any fees charged in connection with any attorney or other advisor engaged by Buyer in connection with this transaction;
- (d) The cost of the survey provided pursuant to Section 4; and
- (e) The commission or fees charged by any real estate broker or agent retained or used by Buyer in connection with this transaction.

SECTION 14. RISK OF LOSS. The risk of loss or damage to any of the Real Property described above by fire or other casualty shall remain with the Seller until Closing. In the event of such loss before Closing, this Agreement will be voidable at the option of Buyer by written notice of such option to the Seller prior to the scheduled Closing. Should Buyer elect to continue with the purchase following such loss or damage before Closing, Buyer will the right to close this Agreement at the stated Purchase Price. If Buyer elects to void the Agreement pursuant to this section 11, the earnest money will be refunded to the Buyer, without interest.

SECTION 15. DEFAULT.

(a) If Buyer is in default of this Agreement, Seller shall give written notice to Buyer, and Buyer shall have ten (10) business days from the date of the receipt of such notice within which to cure such default. If the Closing contemplated by this Agreement is not consummated on account of Buyer's default hereunder, Seller shall be entitled to retain the Deposit as full and complete liquidated damages for such default of Buyer, the Parties acknowledging that it is impossible to estimate more precisely the damages which might be suffered by Seller upon Buyer's default. This Section 15(a) is intended not as a penalty, but as full liquidated damages. The Seller may retain the Deposit as full liquidated damages or to sue Buyer for specific performance of this Agreement in the event of a default or in failing to close hereunder by Buyer.

(b) If Seller shall be in default of this Agreement, Buyer shall give written notice to Seller, and Seller shall have ten (10) business days from the date of the receipt of such notice within which to cure such default, provided, however, there shall be no cure period for Seller's failure to close. If the Closing contemplated by this Agreement is not consummated on account of Seller's default hereunder, the Seller shall return the Deposit to Buyer, as full payment for any and all damages that Buyer may incur, and Buyer waives any right to specific performance and all other rights, privileges or remedies available to Buyer at law or in equity, severally or cumulatively.

SECTION 16. SELLER'S WARRANTIES, REPRESENTATIONS AND COVENANTS. Seller hereby represents and warrants to buyer solely as to the following matters, each of which is so warranted to be true and correct as of the date hereof and shall, as a condition to buyer's obligations hereunder, be true and correct on the closing date:

- (a) Seller has entered into no other presently effective agreement to sell the Real Property, or any portion thereof, nor has it granted any presently effective option for the sale of the Real Property, or any portion thereof, or right of first refusal or right of first offer with respect thereto;
- (b) Seller has no knowledge of pending or contemplated condemnation proceedings affecting the Real Property, the abutting streets, or any part thereof;
- (c) Seller is not now a party to any litigation with respect to the Real Property, and Seller knows of no litigation or threatened litigation affecting the title to the Real Property (and Seller shall give to Buyer prompt notice of the institution of any such litigation prior to the Closing Date);

(d) Seller is not a "foreign person" as defined in the Internal Revenue Code of 1986, as amended, and as contemplated by the Foreign Investments in Real Property Tax Act (96 Stat. 2682), as amended by the Deficit Reduction Act of 1984, and Buyer has no obligation to withhold and pay over to the U. S. Internal Revenue Service any part of the "amount realized" by Seller in the transaction contemplated hereby;

(e) Seller has the authority and power to enter into this Agreement and to consummate the transactions contemplated herein and is legally obligated to Buyer in accordance with the terms and provisions of this Agreement;

(f) The execution and entry into this Agreement, the execution and delivery of the documents and instruments to be executed and delivered by Seller on the Closing Date, and the performance by Seller of Seller's duties and obligations under this Agreement and of all other acts necessary and appropriate for the full consummation of the purchase and sale of the Real Property as contemplated herein, are consistent with and not in violation of, and will not create any adverse condition under, any contract, agreement or other instrument to which Seller is a party, any judicial order or judgment of any nature by which Seller is bound; and

(g) All necessary and appropriate action has been taken by Seller authorizing and approving the execution of and entry into this Agreement, the execution and delivery by Seller of the documents and instruments to be executed by Seller on the Closing Date, and the performance by Seller of Seller's duties and obligations under this Agreement and of all other acts necessary and appropriate for the consummation of the purchase and sale of the Real Property as contemplated herein.

SECTION 17. BUYER'S WARRANTIES, REPRESENTATIONS AND COVENANTS. Buyer hereby represents and warrants to Seller solely as to the following matters, each of which is so warranted to be true and correct as of the date hereof and shall, as a condition to seller's obligations hereunder, be true and correct on the closing date:

(a) The execution and delivery of this Agreement and the performance by Buyer of its obligations hereunder have been duly authorized by all required action of Buyer;

(b) Buyer has the right, power and authority to make and perform its obligations under this Agreement and this Agreement is a valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to bankruptcy, reorganization and other similar laws affecting the enforcement of creditors' rights generally;

(c) Buyer does not require any consents or approvals from any third party with respect to the execution and delivery of this Agreement or with respect to the performance by Buyer of its obligations hereunder, including the purchase of the Real Property from Seller;

(d) The execution and entry into this Agreement, the execution and delivery of the documents and instruments to be executed and delivered by Buyer on the Closing Date, and the performance by Buyer of Buyer's duties and obligations under this Agreement and of all other acts necessary and appropriate for the full consummation of the purchase and sale of the Real Property as contemplated herein, are consistent with and not in violation of, and will not create any adverse condition under, any contract, agreement or other instrument to which Buyer is a party, any judicial order or judgment of any nature by which Buyer is bound; and

(e) All necessary and appropriate action has been taken by Buyer authorizing and approving the execution of and entry into this Agreement, the execution and delivery by Buyer of the documents and instruments to be executed by Buyer on the Closing Date, and the performance by Buyer of Buyer's duties and obligations under this Agreement and of all other acts necessary and appropriate for the consummation of the purchase and sale of the Real Property as contemplated herein.

SECTION 18. TIME IS OF THE ESSENCE. Time is of the essence to the performance of this Agreement.

SECTION 19. MERGER CLAUSE; ENTIRE AGREEMENT; MODIFICATIONS. All understandings and agreements heretofore had between the parties are merged in this Agreement, which alone fully and completely expresses their agreement, and the same is entered into after full investigation, neither party relying upon any statement, representation, express or implied warranties, guarantees, promises, statements, "setups", representation, or information, not embodied in this Agreement, made by the other, or by any agent, employee, servant, or other person representing or purporting to represent the Seller. This Agreement contains the full agreement between the parties and there are no other contracts, express or implied, which are not stated herein, and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties hereto.

SECTION 20. POST CLOSING SURVIVAL. Wherever in this Agreement Seller or Buyer shall have agreed or promised to perform certain acts or otherwise where the context of this Agreement would require such performance or grants to occur after the Closing, then those agreements and covenants shall survive the Closing and continue to bind Seller and Buyer.

SECTION 21. CAPTIONS. The section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

SECTION 22. SEVERABILITY. In the event any provision or portion of this agreement is held by any court of competent jurisdiction to be invalid or unenforceable, such holding will not affect the remainder hereof, and the remaining provisions shall continue in full force and effect to the same extent as would have been the case had such invalid or unenforceable provision or portion never been a part hereof.

SECTION 23. CONTROLLING LAW; VENUE. This Agreement has been made and entered into under the laws of the State of Tennessee, and said laws shall control the interpretation thereof. Venue for any litigation concerning this Agreement shall be filed in the state or federal courts for Sullivan County, Tennessee.

SECTION 24. BINDING EFFECT. All covenants, agreements, warranties and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 25. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES. No member, official, or employee of Seller shall be personally liable to Buyer in the event any provision of the Agreement is unenforceable, or there is any default or breach by Seller, or for any amount which may become due under the Agreement, or on any obligations under the terms of the Agreement.

SECTION 26. ASSIGNMENT. Buyer may not assign or transfer this Agreement without the written consent of Seller, which consent will be at Seller's sole discretion.

SECTION 27. FURTHER ACTS. Each party hereto agrees to do, execute, acknowledge and deliver all such further acts, assignments, transfers, assurances and instruments that may reasonably be required to fully effectuate the transactions contemplated in this Agreement.

SECTION 28. OFFER TO PURCHASE. By execution of this Purchase Agreement and in consideration of the Seller considering the offer to purchase contained in this Purchase Agreement, Buyer agrees that the Seller shall have sixty (60) days after execution by Buyer to accept the offer to purchase contained herein and Buyer's offer to purchase will not be withdrawn for that sixty (60) days period.

IN WITNESS WHEREOF, the parties have hereunto set their hands in duplicate originals the day and year first written above.

SELLER:

CITY OF KINGSPORT, TENNESSEE

ATTEST:

James H. Demming, City Recorder

By: _____
Dennis R. Phillips, Mayor

APPROVED AS TO FORM:

J. Michael Billingsley, City Attorney

BUYER:

By: _____
Name, Title

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Offer to Purchase Real Property Packet – Corner of Roller Street and the Northern Entrance to Arch Street

Personally appeared before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, DENNIS R. PHILLIPS, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this _____ day of _____, 2013.

Notary Public

My commission expires:

(Use for an individual multiple natural buyer or buyers – add additional copies as necessary)

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged that he or she executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal this _____ day of _____, 2013.

Notary Public

My commission expires:

(Use for a legal entity buyer)

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Personally appeared before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the _____ (title) of _____, and that he as _____, executed the foregoing instrument for the purposes therein contained, by signing his name as _____.

WITNESS my hand and official seal this _____ day of _____, 2013.

Notary Public

My commission expires:

EXHIBIT C

Property at the Corner of Roller Street and Northern Entrance to Arch Street owned by the City of Kingsport

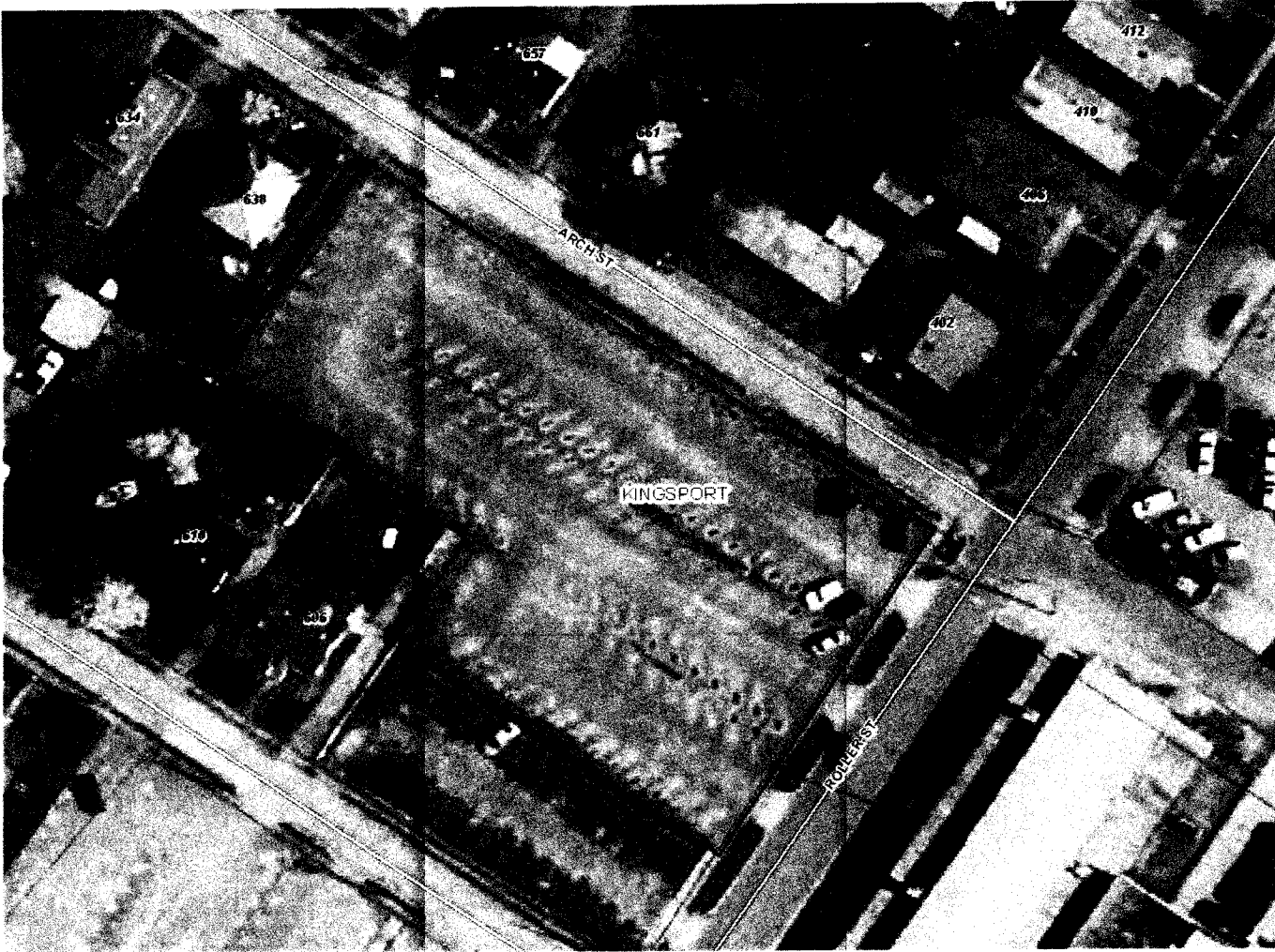
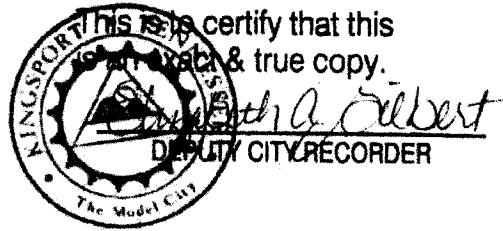


EXHIBIT D

Notice of Land Use Restrictions
(Begins on the next page)

This instrument was prepared by:
Tennessee Department of Environment and Conservation
Office of General Counsel
20th Floor, 401 Church Street
Nashville, TN 37243-1548



BOOK 2613C PAGE 0432

NOTICE OF LAND USE RESTRICTIONS

Notice is hereby given that pursuant to T.C.A. Section 68-212-225 of the *Hazardous Waste Management Act of 1983*, the Commissioner of the Tennessee Department of Environment and Conservation (the "TDEC") has determined that land use restrictions are an appropriate remedial action at the below-described property. Pursuant to T.C.A. Section 68-212-225(d) the register of deeds shall record this Notice and index it in the grantor index under the names of the owners of the property.

WITNESSETH:

WHEREAS, the City of Kingsport ("Grantor") is willing to receive title to the real property described in Deed of record with the Sullivan County Register of Deeds, as more particularly described in Exhibit A attached hereto, which is also known as the former Quebecor World Kingsport, Inc. site, hereinafter referred to as the "Property," and,

WHEREAS, a historic release of lacquer thinner occurred at the Property; and other contaminants consistent with historic uses of the facility have also been detected. Over the last several years, Quebecor has been working with the State Remediation Program of TDEC to identify and address the contaminants at the Property. As part of such response action, several investigations and remedial actions have taken place at the Property.

WHEREAS, the Property has been remediated, to the extent practicable, to levels protective of human health and the environment in a commercial/industrial area; and

WHEREAS, The Grantor have agreed to impose certain land use restrictions on the Property as set forth hereinafter and has agreed to preserve and maintain these restrictions,

NOW, THEREFORE, in consideration of the foregoing, the Grantor hereby declare that the Property should be held, sold, and conveyed subject to the following land use restrictions. Said land use restrictions shall run with the land and shall be binding on all parties having any right, title, or interest in the Property or any part thereof, their heirs, successors, successors-in-

title, and assigns, and shall inure to the benefit of each owner thereof and to the Department and the respective successors and assigns of such parties.

BOOK 2613C PAGE 0433

Land Use Restrictions:

Upon acquiring the Property, the Grantor agrees that said property will be restricted as follows:

1. Prior to any part of the Property being used for a residence, domicile, daycare, school, or church, and any related recreational uses, or any use with an outdoor playground, the Property owner at that time must notify TDEC and must demonstrate to the satisfaction of TDEC that any such proposed use listed above will not pose a danger to public health, safety, or the environment. Any approval granted by TDEC for such uses shall be in writing, must contain a reference to this instrument, and shall be filed with the Sullivan County Register of Deeds, and
2. No one will use, access, or otherwise disturb the groundwater beneath the Property, unless required by any federal or state-level government agency of competent jurisdiction. This Land Use Restriction prohibits without limitation the installation of groundwater wells for the intended use as a potable water source, and
3. Modification of existing surface and subsurface concrete and asphalt (including building floors, foundations and parking areas):
 - a. Prior to initiating any subsurface invasive activities (e.g., drilling or excavating), or any demolition activities that might impact the integrity of the existing surface and subsurface concrete and asphalt (including building floors, foundations and parking areas), the Property Owner at that time must notify TDEC of the planned activities. This requirement shall not apply to activities being performed by Quebecor or Quebecor contractors in coordination with TDEC.
 - b. Within the Potential Solvent-Contaminated Area identified on Exhibit B, the surface and subsurface concrete and asphalt (including building floors, foundations and parking areas) functions as an effective barrier that

prevents direct contact with contaminated soil, retards the uncontrolled upward and perhaps lateral movement of contaminant vapors, and prevents infiltration of rainwater and the associated potential for the leaching of contaminants from soils into groundwater and/or the accelerated dispersion of contaminated groundwater. Prior to any removal or breaching of this surface and subsurface concrete and asphalt (including building floors, foundations and parking areas), the Property owner at that time must notify TDEC and must demonstrate to the satisfaction of TDEC that any such proposed removal or breaching will not significantly increase the potential for direct contact with contaminated soil, uncontrolled movement of contaminant vapors, or infiltration of rainwater. Any approval granted by TDEC for such removal or breaching of the surface and subsurface concrete and asphalt (including building floors, foundations and parking areas) within said Potential Solvent-Contaminated Area shall be in writing, must contain a reference to this instrument, and shall be filed with the Sullivan County Register of Deeds.

c. Prior to the removal of any of the surface and subsurface concrete and asphalt (including building floors, foundations and parking areas) at the Property, the Property owner at that time must first obtain TDEC's approval of an action plan that describes (1) how the shallow soils will be tested, prior to or immediately upon barrier removal, to determine if soil contamination may exist that might pose a material threat to human health or the environment; (2) what response actions will be taken if soil contamination is found, (3) a schedule of implementation, to include the reporting of soil and/or ground water testing results and response actions taken to TDEC; and (4) how the formerly covered area will be reconstructed to effectively limit infiltration of storm water through the newly exposed soil. In addition, for any portion of the Potential Solvent-Contaminated Area or any other area where it may be deemed necessary by TDEC, this action plan must also describe how an effective barrier layer will be reconstructed over the area where the existing barrier layer(s) was removed. Any approval granted by TDEC of such an action plan shall be in writing, must contain a reference to this instrument, and shall be filed with the Sullivan County Register of Deeds. Soil testing may include real-time field screening techniques (e.g., organic vapor screening), but the field screening results must be verified by laboratory analysis of representative samples. Controls for limiting storm water

infiltration could include the placement of another effective barrier layer and/or the installation of ditches or piping to effectively drain away storm water. No ponds or lakes may be created on the Property.

BOOK 2613C PAGE 0435

d. Prior to any removal of soil, ground water and/or debris from the Property, and prior to any burial at the Property of any soils and/or debris generated from on-site demolition or construction activities, the Property Owner at the time of such action must notify TDEC of such planned action and demonstrate to TDEC's satisfaction that such soils and debris will be managed in accordance with applicable regulatory requirements (environmental and occupational safety). Any approval granted by TDEC for such removal and/or burial shall be in writing, must contain a reference to this instrument, and shall be filed with the Sullivan County Register of Deeds.

4. The then current property owner shall be responsible for any response actions triggered by or resulting from the modification of existing surface and subsurface concrete and asphalt (including building floors, foundations and parking areas), and
5. There shall be no unreasonable interference with access to groundwater monitoring wells at the Property for purposes of groundwater monitoring or well maintenance or repair, nor shall the well casing locks and/or locking mechanisms be intentionally removed or in any way deliberately modified to not operate properly. The Property owner at the time of such action must secure TDEC's approval before he/she takes any action to modify, close, or abandon any groundwater monitoring well located on the Property.

Groundwater Use Restrictions:

No groundwater wells of any type shall be constructed on any part of the Property. Any planned use for groundwater must be proposed to the Department in writing prior to implementation. The Department will grant approval in writing should the proposed use prove to be protective of human health or the environment.

Enforcement:

Any owner of the Property or any unit of local government having jurisdiction over any part of the Property may enforce this Notice of Land Use Restrictions by means of a civil action. The Commissioner of the Department may enforce this Notice of Land Use Restrictions through the issuance of an Administrative Order or by means of a civil action, including one to obtain an injunction against present or threatened violations of the restriction. Pursuant to T.C.A. Section 68-212-213, any person who fails, neglects or refuses to comply with a land use restriction commits a Class B misdemeanor and is subject to the assessment of a civil penalty of up to ten thousand dollars (\$10,000) per day.

Term:

This Notice of Land Use Restrictions shall run with and bind the Property unless/until this Declaration shall be made less stringent or canceled as set forth under the paragraph entitled "Amendment and Termination."

Amendment and Termination:

This Notice of Land Use Restrictions may be made less stringent or canceled by the Commissioner of the Department if the risk has been eliminated or reduced so that less restrictive land use controls are protective of human health and the environment. No amendment to or termination of this Notice of Land Use Restrictions shall be effective until such amendment or instrument terminating this Notice of Land Use Restrictions is recorded in the Register's Office for Sullivan County, Tennessee. An amendment or termination of this land use restriction is subject to TDEC approval and must be approved in writing before any amendment or termination is made.

Severability:

Invalidation of any of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this instrument this 28th
day of November, 2007.

ATTEST:

James H. Demming
James H. Demming, City Recorder



CITY OF KINGSPORT,
TENNESSEE

By: Dennis R. Phillips
Dennis R. Phillips, Mayor

APPROVED AS TO FORM:

J. Michael Billingsley
J. Michael Billingsley, City Attorney

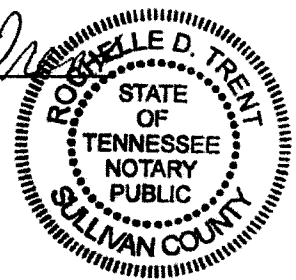
STATE OF TENNESSEE)

COUNTY OF SULLIVAN)

Before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainer, DENNIS R. PHILLIPS, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this 28th day of November, 2007.

Rochelle D. Trent
Notary Public



My commission expires:
8/2/09

EXHIBIT A

BOOK 2613C PAGE 0438

TRACT 1 (PARCELS 1, 2, 3 & 5)

BEGINNING on a drill hole in a concrete walk at the intersection of the Westerly line of Clinchfield Street with the Northeasterly line of West Center Street; thence with said line of West Center Street N 51° 58' 00" W, a distance of 942.23 feet to an iron pin at the intersection with the Southeasterly line of Roller Street; thence with same N 38° 02' 00" E, a distance of 790.41 feet to an iron pin at the common corner for Lots 3 & 4, Block 34; thence with the divisional line of said lots S 51° 58' 00" E, a distance of 125.00 feet to an iron pin corner for said lots; thence with the Southeasterly lines of Lots 4 through 11 & an unnumbered parcel N 38° 02' 00" E, a distance of 400.91 feet to a drill hole in the Southwesterly line of an alley; thence with same S 37° 12' 54" E, a distance of 334.90 feet to a drill hole in the Westerly line of Clinchfield Street; thence with same three calls as follows: S 24° 10' 31" W, a distance of 142.94 feet to the point of curvature of a tangent curve, concave to the East, having a radius of 1462.70 feet, a central angle of 13° 47' 30", a chord bearing of S 17° 16' 46" W, a chord distance of 351.24 feet; thence Southerly along said curve, an arc distance of 352.09 feet to at the point of tangency; thence S 10° 23' 01" W, a distance of 721.18 feet to the POINT OF BEGINNING; and being all of Block 33, Lots 1, 2 & 3 and an unnumbered parcel of Block 34, and also a vacated portion of Press Street, Kingsport, Tennessee, containing 16.315 acres more or less.

TRACT 1 (PARCEL 4)

BEGINNING on a drill hole in a concrete walk at the intersection of the Southwesterly line of West Sullivan Street with the Westerly line of Clinchfield Street, a corner for Lot 21; thence with said line of Clinchfield Street S 24° 10' 31" W, a distance of 165.23 feet to a drill hole, a corner for Lot 21 in the Northeasterly line of an alley; thence with same, and the lines of Lots 21 through 16 N 37° 12' 54" W, a distance of 384.93 feet to an iron pin at the common corner for Lots 16 & 15; thence with the divisional line of said lots N 52° 47' 06" E, a distance of 145.06 feet to an iron pin corner for said lots in the Southwesterly line of West Sullivan Street; thence with same and the lines of Lots 16 through 21 S 37° 12' 54" E, a distance of 305.81 feet to the POINT OF BEGINNING; and being Lots 16 through 21, Block 34, Kingsport, Tennessee, containing 1.150 acres, more or less.

TRACT 2

BEGINNING on an iron pin at the intersection of the Southwesterly line of Arch Street with the Northwesterly line of Roller Street, a corner for Lot 31, Block 38; thence with said line of Roller Street and the lines of Lots 31, 30 & 29 S 38° 02' 00" W, a distance of 158.00 feet to an iron pin corner to lot 28; thence with the line common to Lots 28 & 29 N 51° 58' 00" W, a distance of 150.00 feet to an iron pin in the line of Lot 25; thence with same N 38° 02' 00" E, a distance of 50.00 feet to an iron pipe at the common corner for Lots 16, 25, 29 & 30; thence with the lines of Lots 16 & 17 and Lots 25 & 24 N 51° 58' 00" W, a distance of 120.00 feet to an iron pin at a common corner for Lots 17, 18, 23 & 24; thence with the line for Lots 17 & 18 N 38° 02' 00" E, a distance of 108.00 feet to a drill hole in a concrete walk in the Southwesterly line of Arch Street; thence with same and the lines of lots 17, 16 & 31 S 51° 58' 00" E, a distance of 270.00 feet to the POINT OF BEGINNING; and being Lots 16, 17, 29, 30 & 31, Block 38, containing 0.842 acre, more or less.

TRACT 3

BEGINNING on an iron pipe at the intersection of the Southwesterly line of Arch Street with the Northwesterly line of Roller Street, a corner for Lot 27, Block 38; thence with said line of Roller Street and the lines of Lots 27 & 26, Block 38, then with the lines of Lots 22 & 21, Block 37, then crossing a vacated alley S 38° 02' 00" W, a distance of 213.41 feet to an iron pin in the Northeasterly line of said alley; thence with same and the lines of Lots 1 through part of 6, Block 37 N 51° 58' 00" W, a distance of 139.68 feet to the point of curvature of a tangent curve, concave to the Southwest, having a radius of 886.20 feet, a central angle of 4° 34' 13", a chord bearing of N 54° 15' 07" W, a chord distance of 70.67 feet; thence Northwesterly along said curve, and the lines of part of Lot 6 through Lot 8, an arc distance of 70.69 feet to an iron pin in the line of Lot 9, Block 37; thence with the line of Lot 9 and crossing a vacated alley N 33° 27' 47" E, a distance of 78.48 feet to an iron pin in the Southwesterly line of another vacated alley; thence with same and with the lines of Lots 9 through 14, Block 37 N 51° 58' 00" W, a distance of 197.71 feet to an iron pin corner for Lot 15; thence crossing said alley N 39° 19' 00" E, a distance of 25.01 feet to an iron pin, a corner for Lots 4 & 5, Block 38 and in the Northeasterly line of said alley; thence with same and the lines of Lots 4, 3 & 2 S 51° 58' 00" E, a distance of 183.70 feet to an iron pipe corner for Lots 2 & 1, Block 38; thence with the line of said lots N 38° 02' 00" E, a distance of 113.00 feet to an iron pipe in the Southwesterly line of Arch Street; thence with same and the line of lot 1, then crossing another vacated alley, then the line of Lot 27 S 51° 58' 00" E, a distance of 230.00 feet to the POINT OF BEGINNING; and being Lots 21, 22 and an unnumbered parcel, Block 37, Lots 1, 26 & 27, Block 38, and three vacated alleys in Blocks 37 & 38, Kingsport, Tennessee, containing 1.205 acres, more or less.

TRACT 4

BEGINNING on an iron pin in the Easterly line of Clinchfield Street, said iron pin being located S 10° 23' 01" W, a distance of 284.04 feet along said line from the intersection of said line with the Southwesterly line of Press Street; thence by a line common with Dobyns Taylor Hardware S 51° 58' 00" E, a distance of 364.49 feet to an iron pin corner with Lot 39; thence with the line of Lot 39 S 38° 02' 00" W, a distance of 148.40 feet to an iron pin in the Northeasterly line of an alley; thence with same N 51° 58' 00" W, a distance of 286.74 feet to an iron pin in the Easterly line of Clinchfield Street; thence with same N 10° 23' 01" E, a distance of 167.53 feet to the POINT OF BEGINNING; and being a part of Block 27, Kingsport, Tennessee, containing 1.109 acres, more or less.

BEING THE SAME PROPERTY conveyed to the Grantor by deed of record in Book 2613C, page 419, Register's Office for Sullivan County, Tennessee.

The foregoing legal descriptions were derived from a survey dated April 25, 2007, prepared by Joseph D. Connelly (RLS Tennessee License Number 836) of Connelly Land Surveying, 1561 Fuller Street, Kingsport, Tennessee 37664.

EXHIBIT B

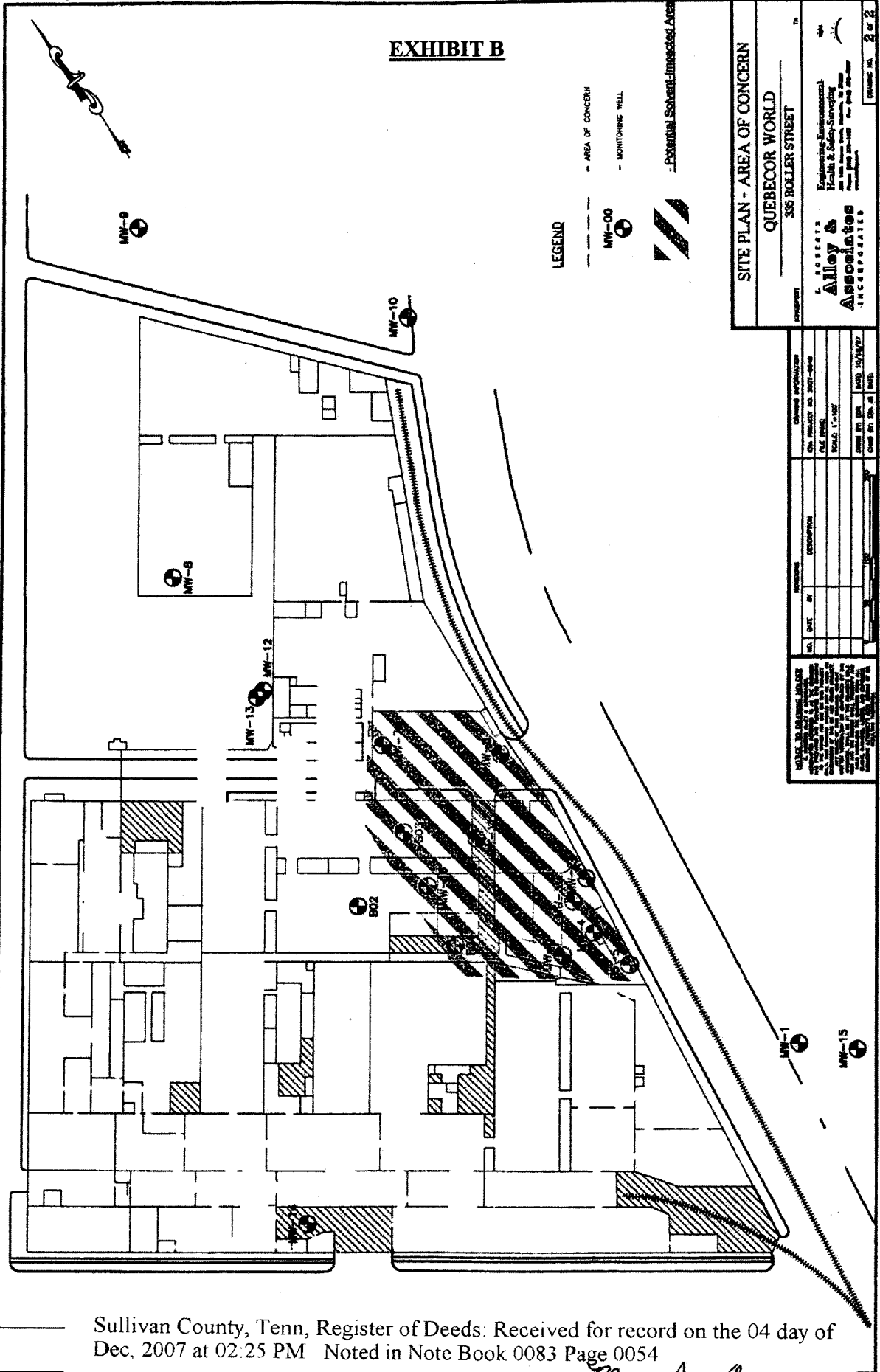
[Potential Solvent-Contaminated Area]

6603261.3

BOOK 2613C PAGE 0440

MARY LOU DUNCAN
REGISTER OF DEEDS
SULLIVAN COUNTY, TENNESSEE
04 Dec 2007 TIME 02:25 p
BOOK 2613C PAGE 0432
TAX C CF 2.00
FEE 50.00 TOTAL 52.00
RECEIPT NO. 2007-066257

EXHIBIT B



SITE PLAN - AREA OF CONCERN
QUEBECOR WORLD
 335 ROLLER STREET

ALLEY & Associates
 INCORPORATED
 Engineering-Environmental
 Health & Safety-Service
 1000 N. 10th St., Suite 200
 Knoxville, TN 37917
 Phone: 615-582-1100
 Fax: 615-582-1101
 E-mail: info@alley.com
 Website: www.alley.com

PROJECT NO. 2 of 2

NO.	DATE	BY	DESCRIPTION	ISSUED INFORMATION
1	02/25/07	MS	FINAL	02/25/07
2	02/25/07	MS	FINAL	02/25/07
3	02/25/07	MS	FINAL	02/25/07
4	02/25/07	MS	FINAL	02/25/07
5	02/25/07	MS	FINAL	02/25/07
6	02/25/07	MS	FINAL	02/25/07
7	02/25/07	MS	FINAL	02/25/07
8	02/25/07	MS	FINAL	02/25/07
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12	02/25/07	MS	FINAL	02/25/07
13	02/25/07	MS	FINAL	02/25/07
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15	02/25/07	MS	FINAL	02/25/07
16	02/25/07	MS	FINAL	02/25/07
17	02/25/07	MS	FINAL	02/25/07
18	02/25/07	MS	FINAL	02/25/07
19	02/25/07	MS	FINAL	02/25/07
20	02/25/07	MS	FINAL	02/25/07

Sullivan County, Tenn, Register of Deeds: Received for record on the 04 day of Dec, 2007 at 02:25 PM Noted in Note Book 0083 Page 0054

Mary Ann Duncan

EXHIBIT E

**Deed from Quebecor World Kingsport, Inc. to City of Kingsport
Containing Certain Restrictions on the Use of the Property**
(Begins on the next page)

This is to certify that this is an exact & true copy.

Elizabeth [Signature]
 DEPUTY CLERK RECORDER
 The Model City

THIS INSTRUMENT PREPARED BY:
 BASS, BERRY & SIMS PLC (JSS)
 315 Deaderick Street, Suite 2700
 Nashville, Tennessee 37238

BOOK 2613C PAGE 0419

SPECIAL WARRANTY DEED
 (Subject to a Condition Subsequent and Restrictive Covenants
 with Reservation of Access Easement)

Address New Owner:	Send Tax Bills To:	Map/Group/Parcel Numbers:
The City of Kingsport, Tennessee Attention: J. Michael Billingsley 225 West Center Street Kingsport, Tennessee 37605	Same	Map 46H / Group J / Parcel 006.00 Map 46H / Group J / Parcel 022.00 Map 46H / Group K / Parcel 002.00 Map 46I / Group A / Parcel 023.00

FOR AND IN CONSIDERATION OF the sum of TEN AND NO/100 DOLLARS (\$10.00) cash in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, QUEBECOR WORLD KINGSPORT INC., a California corporation (the "Grantor"), has bargained and sold, and hereby transfers and conveys, to THE CITY OF KINGSPORT, TENNESSEE, a municipal corporation organized under the laws of the State of Tennessee (the "Grantee"), certain real property in Sullivan County, Tennessee, more particularly described on Exhibit A attached hereto (the "Property").

The Property is conveyed subject to (i) the Access Easement (as hereinafter defined), (ii) the restrictions and covenants set forth on Exhibit B attached hereto, which shall constitute restrictions and covenants running with the land and burdening the Property, binding upon Grantee, its successors and assigns, and all subsequent owners of the Property, and enforceable by Grantor and its successors and assigns (the "Restrictive Covenants"), and (iii) the matters more particularly described on Exhibit C attached hereto.

Grantor does hereby expressly reserve unto itself, its successors and assigns, and its consultants and representatives, a perpetual, non-exclusive vehicular and pedestrian easement and right of access over, on and across the Property for the purpose of (i) conducting all actions necessary to investigate, monitor, remove or remediate any environmental contamination described in that certain Brownfield Consent Order & Administrative Settlement dated as of November 24, 2007, by and between the Tennessee Department of Environment and Conservation and Grantor (as the same may be hereafter amended, the "Grantor Brownfield Agreement"), and (ii) taking any other actions necessary to comply with Grantor's obligations under the Grantor Brownfield Agreement (the "Access Easement"). Grantee and any subsequent owner of the Property shall cooperate with Grantor in providing all utilities necessary or appropriate for the foregoing activities. Grantor shall not unreasonably interfere with Grantee's operation of the Property while accessing and remediating the Property.

TO HAVE AND TO HOLD the Property, together with the appurtenances, hereditaments, estate, title and interest thereto belonging, to Grantee, forever; provided, however, if Grantee or its successors or assigns shall breach, fail to comply with or otherwise violate the Restrictive Covenants, Grantor and its successors and assigns shall have the right to re-enter and retake the Property and terminate Grantee's estate created by this Special Warranty Deed.

This is improved property known as 335 Roller Street, Kingsport, Sullivan County, Tennessee 37660.

Grantee, by its acceptance and recording of this Special Warranty Deed, does hereby acknowledge and agree for itself and its successors and assigns, with Grantor and its successors and assigns, that the right, title and interest of the Grantee and its successors and assigns, in and to the Property, is subject to (i) the Access Easement, (ii) the Restrictive Covenants, and (iii) the matters more particularly described on Exhibit C attached hereto.

Grantor covenants and binds itself and its successors to warrant specially and defend to Grantee forever the title to the Property against the lawful claims of all persons claiming through or under Grantor (excluding claims arising out of the Access Easement and the matters set forth on Exhibit C), but no further or otherwise.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned Grantor has caused this Special Warranty Deed to be executed by its duly authorized representative as of the 30TH day of November, 2007.

GRANTOR:

QUEBECOR WORLD KINGSPORT INC.

By: David McCarthy
Name: DAVID MCCARTHY
Title: Vice President

STATE OF Tennessee)

COUNTY OF Williamson)

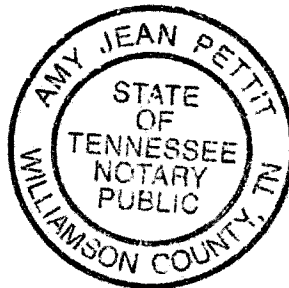
Personally appeared before me, the undersigned, a Notary Public having authority within the State and County aforesaid, David McCarthy, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the/a(n) Vice President of Quebecor World Kingsport Inc., a California corporation, and is authorized by the corporation to execute this instrument on behalf of the corporation.

WITNESS my hand, at office, this 28th day of November, 2007.

Amy Jean Pettit
Notary Public

My Commission Expires:

My Commission Exp. Feb. 22, 2009



STATE OF TENNESSEE)
COUNTY OF SULLIVAN)

BOOK 2613C PAGE 0422

The actual consideration for this transfer or value of property transferred (whichever is greater) is \$0.00 (Exempt pursuant to Tenn. Code Ann. § 67-4-409(f)).

Rachelle D. Hunt
Affiant

Sworn to and subscribed before me this 28th day of November, 2007.

Trish Smith
Notary Public

My Commission Expires:

3/30/09



EXHIBIT A

BOOK 2613C PAGE 0423

TRACT 1 (PARCELS 1, 2, 3 & 5)

BEGINNING on a drill hole in a concrete walk at the intersection of the Westerly line of Clinchfield Street with the Northeasterly line of West Center Street; thence with said line of West Center Street N 51° 58' 00" W, a distance of 942.23 feet to an iron pin at the intersection with the Southeasterly line of Roller Street; thence with same N 38° 02' 00" E, a distance of 790.41 feet to an iron pin at the common corner for Lots 3 & 4, Block 34; thence with the divisional line of said lots S 51° 58' 00" E, a distance of 125.00 feet to an iron pin corner for said lots; thence with the Southeasterly lines of Lots 4 through 11 & an unnumbered parcel N 38° 02' 00" E, a distance of 400.91 feet to a drill hole in the Southwesterly line of an alley; thence with same S 37° 12' 54" E, a distance of 334.90 feet to a drill hole in the Westerly line of Clinchfield Street; thence with same three calls as follows: S 24° 10' 31" W, a distance of 142.94 feet to the point of curvature of a tangent curve, concave to the East, having a radius of 1462.70 feet, a central angle of 13° 47' 30", a chord bearing of S 17° 16' 46" W, a chord distance of 351.24 feet; thence Southerly along said curve, an arc distance of 352.09 feet to at the point of tangency; thence S 10° 23' 01" W, a distance of 721.18 feet to the POINT OF BEGINNING; and being all of Block 33, Lots 1, 2 & 3 and an unnumbered parcel of Block 34, and also a vacated portion of Press Street, Kingsport, Tennessee, containing 16.315 acres more or less.

TRACT 1 (PARCEL 4)

BEGINNING on a drill hole in a concrete walk at the intersection of the Southwesterly line of West Sullivan Street with the Westerly line of Clinchfield Street, a corner for Lot 21; thence with said line of Clinchfield Street S 24° 10' 31" W, a distance of 165.23 feet to a drill hole, a corner for Lot 21 in the Northeasterly line of an alley; thence with same, and the lines of Lots 21 through 16 N 37° 12' 54" W, a distance of 384.93 feet to an iron pin at the common corner for Lots 16 & 15; thence with the divisional line of said lots N 52° 47' 06" E, a distance of 145.06 feet to an iron pin corner for said lots in the Southwesterly line of West Sullivan Street; thence with same and the lines of Lots 16 through 21 S 37° 12' 54" E, a distance of 305.81 feet to the POINT OF BEGINNING; and being Lots 16 through 21, Block 34, Kingsport, Tennessee, containing 1.150 acres, more or less.

BEING PART of the same property conveyed to Kingsport Press, Inc., by deeds of record in Book 330, page 230, and Book 337, page 550, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Kingsport Press, Inc. filed with the Secretary of State of California on October 10, 1985, the name of Kingsport Press, Inc. was changed to Arcata Graphics Kingsport of record in Book 1034C, page 311, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Arcata Graphics Kingsport filed with the Secretary of State of California on August 4, 1994, the name of Arcata Graphics Kingsport was changed to Quebecor Printing Kingsport Inc. of record in Book 1034C, page 302, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Quebecor Printing Kingsport, Inc., filed with the Secretary of State of California on September 1, 2000, the name of Quebecor Printing Kingsport, Inc. was changed to Quebecor World Kingsport Inc., of record in Book 1834C, page 404, Register's Office for Sullivan County, Tennessee.

TRACT 2

BEGINNING on an iron pin at the intersection of the Southwesterly line of Arch Street with the Northwesterly line of Roller Street, a corner for Lot 31, Block 38; thence with said line of Roller Street and the lines of Lots 31, 30 & 29 S 38° 02' 00" W, a distance of 158.00 feet to an iron pin corner to lot 28; thence with the line common to Lots 28 & 29 N 51° 58' 00" W, a distance of 150.00 feet to an iron pin in the line of Lot 25; thence with same N 38° 02' 00" E, a distance of 50.00 feet to an iron pipe at the common corner for Lots 16, 25, 29 & 30; thence with the lines of Lots 16 & 17 and Lots 25 & 24 N 51° 58' 00" W, a distance of 120.00 feet to an iron pin at a common corner for Lots 17, 18, 23 & 24; thence with the line for Lots 17 & 18 N 38° 02' 00" E, a distance of 108.00 feet to a drill hole in a concrete walk in the Southwesterly line of Arch Street; thence with same and the lines of lots 17, 16 & 31 S 51° 58' 00" E, a distance of 270.00 feet to the POINT OF BEGINNING; and being Lots 16, 17, 29, 30 & 31, Block 38, containing 0.842 acre, more or less.

BEING PART of the same property conveyed to Kingsport Press, Inc., by deeds of record in Book 330, page 230, Book, 396, page 219, Book 394, page 432, Book 330, page 34, and Book 330, page 469, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Kingsport Press, Inc. filed with the Secretary of State of California on October 10, 1985, the name of Kingsport Press, Inc. was changed to Arcata Graphics Kingsport of record in Book 1034C, page 311, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Arcata Graphics Kingsport filed with the Secretary of State of California on August 4, 1994, the name of Arcata Graphics Kingsport was changed to Quebecor Printing Kingsport Inc. of record in Book 1034C, page 302, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Quebecor Printing Kingsport, Inc., filed with the Secretary of State of California on September 1, 2000, the name of Quebecor Printing Kingsport, Inc. was changed to Quebecor World Kingsport Inc., of record in Book 1834C, page 404, Register's Office for Sullivan County, Tennessee.

TRACT 3

BEGINNING on an iron pipe at the intersection of the Southwesterly line of Arch Street with the Northwesterly line of Roller Street, a corner for Lot 27, Block 38; thence with said line of Roller Street and the lines of Lots 27 & 26, Block 38, then with the lines of Lots 22 & 21, Block 37, then crossing a vacated alley S 38° 02' 00" W, a distance of 213.41 feet to an iron pin in the

Northeasterly line of said alley; thence with same and the lines of Lots 1 through part of 6, Block 37 N 51° 58' 00" W, a distance of 139.68 feet to the point of curvature of a tangent curve, concave to the Southwest, having a radius of 886.20 feet, a central angle of 4° 34' 13", a chord bearing of N 54° 15' 07" W, a chord distance of 70.67 feet; thence Northwesterly along said curve, and the lines of part of Lot 6 through Lot 8, an arc distance of 70.69 feet to an iron pin in the line of Lot 9, Block 37; thence with the line of Lot 9 and crossing a vacated alley N 33° 27' 47" E, a distance of 78.48 feet to an iron pin in the Southwesterly line of another vacated alley; thence with same and with the lines of Lots 9 through 14, Block 37 N 51° 58' 00" W, a distance of 197.71 feet to an iron pin corner for Lot 15; thence crossing said alley N 39° 19' 00" E, a distance of 25.01 feet to an iron pin, a corner for Lots 4 & 5, Block 38 and in the Northeasterly line of said alley; thence with same and the lines of Lots 4, 3 & 2 S 51° 58' 00" E, a distance of 183.70 feet to an iron pipe corner for Lots 2 & 1, Block 38; thence with the line of said lots N 38° 02' 00" E, a distance of 113.00 feet to an iron pipe in the Southwesterly line of Arch Street; thence with same and the line of lot 1, then crossing another vacated alley, then the line of Lot 27 S 51° 58' 00" E, a distance of 230.00 feet to the POINT OF BEGINNING; and being Lots 21, 22 and an unnumbered parcel, Block 37, Lots 1, 26 & 27, Block 38, and three vacated alleys in Blocks 37 & 38, Kingsport, Tennessee, containing 1.205 acres, more or less.

BEING PART of the same property conveyed to Kingsport Press, Inc., by deed of record in Book 330, page 230, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Kingsport Press, Inc. filed with the Secretary of State of California on October 10, 1985, the name of Kingsport Press, Inc. was changed to Arcata Graphics Kingsport of record in Book 1034C, page 311, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Arcata Graphics Kingsport filed with the Secretary of State of California on August 4, 1994, the name of Arcata Graphics Kingsport was changed to Quebecor Printing Kingsport Inc. of record in Book 1034C, page 302, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Quebecor Printing Kingsport, Inc., filed with the Secretary of State of California on September 1, 2000, the name of Quebecor Printing Kingsport, Inc. was changed to Quebecor World Kingsport Inc., of record in Book 1834C, page 404, Register's Office for Sullivan County, Tennessee.

TRACT 4

BEGINNING on an iron pin in the Easterly line of Clinchfield Street, said iron pin being located S 10° 23' 01" W, a distance of 284.04 feet along said line from the intersection of said line with the Southwesterly line of Press Street; thence by a line common with Dobynt's Taylor Hardware S 51° 58' 00" E, a distance of 364.49 feet to an iron pin corner with Lot 39; thence with the line of Lot 39 S 38° 02' 00" W, a distance of 148.40 feet to an iron pin in the Northeasterly line of an alley; thence with same N 51° 58' 00" W, a distance of 286.74 feet to an iron pin in the Easterly line of Clinchfield Street; thence with same N 10° 23' 01" E, a distance of 167.53 feet to the

POINT OF BEGINNING; and being a part of Block 27, Kingsport, Tennessee, containing 1.109 acres, more or less.

BEING PART of the same property conveyed to Kingsport Press, Inc., by deed of record in Book 330, page 230, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Kingsport Press, Inc. filed with the Secretary of State of California on October 10, 1985, the name of Kingsport Press, Inc. was changed to Arcata Graphics Kingsport of record in Book 1034C, page 311, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Arcata Graphics Kingsport filed with the Secretary of State of California on August 4, 1994, the name of Arcata Graphics Kingsport was changed to Quebecor Printing Kingsport Inc. of record in Book 1034C, page 302, Register's Office for Sullivan County, Tennessee.

BY Certificate of Amendment of Articles of Incorporation of Quebecor Printing Kingsport, Inc., filed with the Secretary of State of California on September 1, 2000, the name of Quebecor Printing Kingsport, Inc. was changed to Quebecor World Kingsport Inc., of record in Book 1834C, page 404, Register's Office for Sullivan County, Tennessee.

The foregoing legal descriptions were derived from a survey dated April 25, 2007, prepared by Joseph D. Connelly (RLS Tennessee License Number 836) of Connelly Land Surveying, 1561 Fuller Street, Kingsport, Tennessee 37664.

1. Prior to any part of the Property being used for a residence, domicile, daycare, school, or church, and any related recreational uses, or any use with an outdoor playground, the Property owner must notify Grantor in writing and must demonstrate to the satisfaction of Grantor that (a) such action will comply with all requirements of all applicable federal, state and local authorities, including but not limited to any land use restrictions imposed on the Property pursuant to that certain Brownfield Voluntary Agreement & Administrative Settlement dated as of November 24, 2007, by and between the Tennessee Department of Environment and Conservation ("TDEC") and Donee, (b) any such proposed use listed above will not pose a danger to public health, safety, or the environment, and (c) the payment of the Development Costs (as hereinafter defined) related to the proposed action have been fully assumed by and provided for by Grantee and/or its successors or assigns. Any such proposed use of the Property may only be undertaken after receipt of written consent from Grantor, which consent cannot be unreasonably withheld or untimely given. Failure of Grantor to respond within thirty (30) days to Grantee's notification and demonstration in compliance with the above requirements shall be deemed to be consent, and

2. The Property owner shall not use, access, or otherwise disturb the groundwater beneath the Property, unless required by any federal or state-level government agency of competent jurisdiction. There shall be no installation of groundwater wells for the intended use as a potable water source, and

3. Modification of existing surface and subsurface concrete and asphalt (including building floors, foundations and parking areas):

a. Prior to initiating any subsurface invasive activities (e.g., drilling or excavating), or any demolition activities that might adversely impact the integrity of the existing surface and subsurface concrete and asphalt (including building floors, foundations and parking areas), the Property owner must notify Grantor of the planned activities and obtain Grantor's prior written consent as provided hereinafter. This requirement shall not apply to activities being performed by Grantor or Grantor's contractors in coordination with TDEC.

b. Within the Potential Solvent-Impacted Area identified on Figure B-1 attached hereto, the surface and subsurface concrete and asphalt (including building floors, foundations and parking areas) functions as an effective barrier that prevents direct contact with contaminated soil, retards the uncontrolled upward and perhaps lateral movement of contaminant vapors, and prevents infiltration of rainwater and the associated potential for the leaching of contaminants from soils into groundwater and/or the accelerated dispersion of contaminated groundwater. Prior to any removal or breaching of this surface and subsurface concrete and asphalt (including building floors, foundations and parking areas) within the Potential Solvent-Impacted Area, the Property owner must notify Grantor and must demonstrate to the satisfaction of Grantor that (1) any such proposed removal or breaching will not significantly increase the potential for direct contact with contaminated soil, uncontrolled movement of contaminant vapors, or

infiltration of rainwater, and (2) the payment of the Development Costs related to the proposed action have been assumed by and provided for by Grantee and/or its successors or assigns. Any such proposed action on the Property may only be undertaken after receipt of written consent from Grantor, which consent cannot be unreasonably withheld or untimely given. Failure of Grantor to respond within thirty (30) days to the above-referenced notification and demonstration in compliance with the above requirements shall be deemed to be consent.

c. Prior to the removal of any of the surface and subsurface concrete and asphalt (including building floors, foundations and parking areas) at the Property, the Property owner must first obtain Grantor's prior written approval of an action plan that describes (1) how the shallow soils will be tested, prior to or immediately upon barrier removal, to determine if soil contamination may exist that might pose a material threat to human health or the environment; (2) what response actions will be taken if soil contamination is found, (3) a schedule of implementation, to include the reporting of soil and/or ground water testing results and response actions taken to TDEC; and (4) how the formerly covered area will be reconstructed to effectively limit infiltration of storm water through the newly exposed soil. In addition, for any portion of the Potential Solvent-Impacted Area or any other area where it may be deemed necessary by TDEC, this action plan must also describe how an effective barrier layer will be reconstructed over the area where the existing barrier layer(s) was removed. Prior to any removal or breaching of this surface and subsurface concrete and asphalt (including building floors, foundations and parking areas), the Property owner must notify Grantor and must demonstrate to the satisfaction of Grantor that (i) any such proposed removal or breaching will not significantly increase the potential for direct contact with contaminated soil, uncontrolled movement of contaminant vapors, or infiltration of rainwater, and (ii) the payment of the Development Costs related to the proposed action have been assumed by and provided for by Grantee and/or its successors or assigns. Any such proposed action on the Property may only be undertaken after receipt of written consent from Grantor, which consent cannot be unreasonably withheld or untimely given. Failure of Grantor to respond within thirty (30) days to the above-referenced notification and demonstration in compliance with the above requirements shall be deemed to be consent.

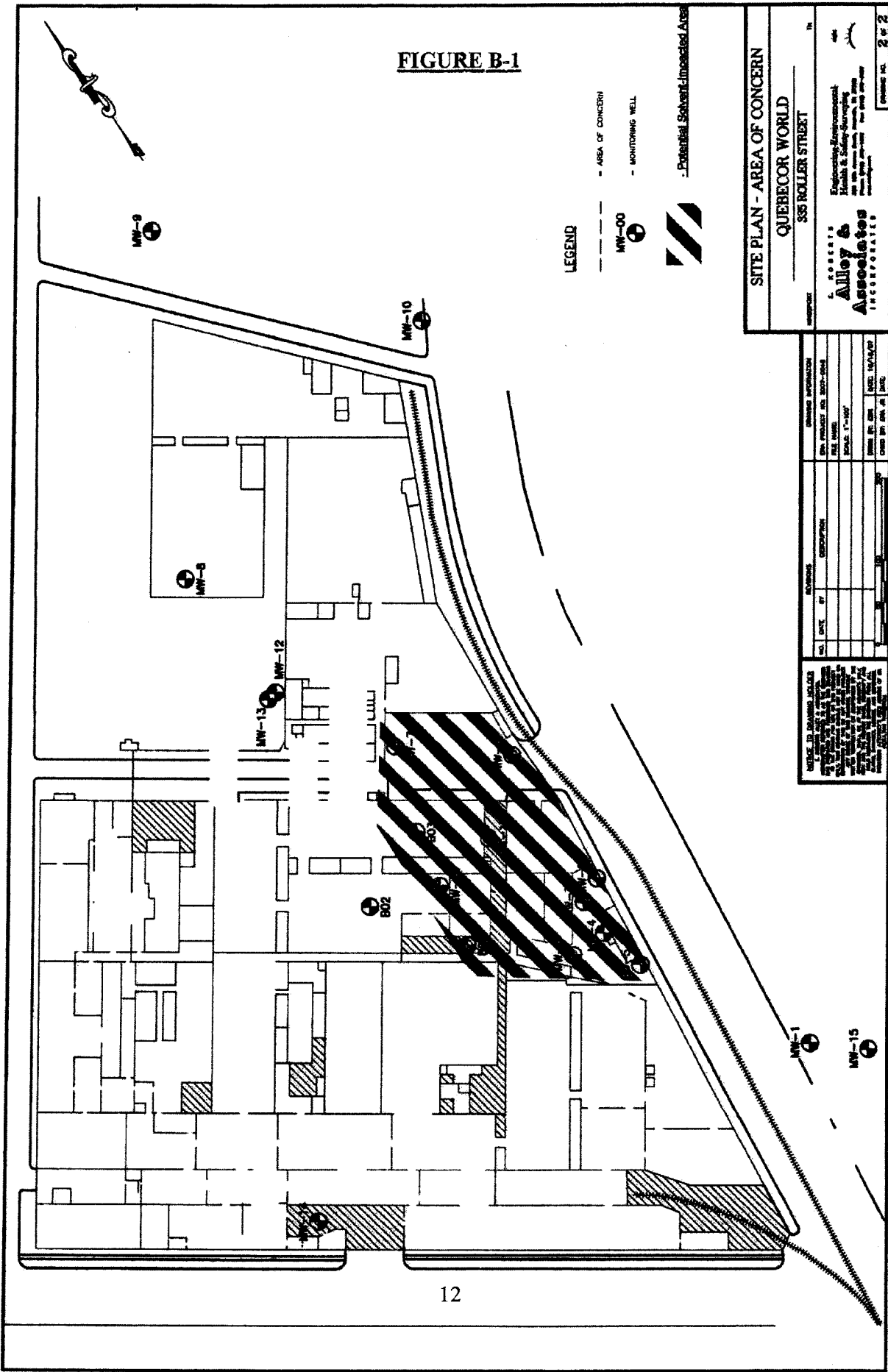
d. Prior to any removal of soil, ground water and/or debris from the Property, and prior to any burial at the Property of any soils and/or debris generated from on-site demolition or construction activities, the Property owner must notify Grantor of such planned action and demonstrate to Grantor's satisfaction that such soils and debris will be managed in accordance with applicable regulatory requirements (environmental and occupational safety). Any such proposed action on the Property may only be undertaken after receipt of written consent from Grantor, which consent cannot be unreasonably withheld or untimely given. Failure of Grantor to respond within thirty (30) days to the above-referenced notification and demonstration in compliance with the above requirements shall be deemed to be consent.

4. The Property owner shall be responsible for any response actions triggered by or resulting from the modification of existing surface and subsurface concrete and asphalt (including building floors, foundations and parking areas), and

5. The Property owner shall not unreasonably interfere with access to groundwater monitoring wells at the Property for purposes of groundwater monitoring or well maintenance or repair, nor shall the well casing locks and/or locking mechanisms be intentionally removed or in any way deliberately modified to not operate properly. The Property owner must secure Grantor's approval before taking any action to modify, close, or abandon any groundwater monitoring well located on the Property.

For purposes this Special Warranty Deed, "Development Costs" arise out of, relate to, result from or are caused by the future development or redevelopment of the Property, including, without limitation, any and all costs, expenses, claims, demands, damages, losses, liabilities, penalties, and fines, which arise out of, relate to, result from or are caused by the residential use of the Property or the adverse impact of the integrity of the existing surface and subsurface concrete and asphalt (including building floors, foundations and parking areas) on the Property; provided, that such amounts include but are not limited to costs and expenses arising, resulting or resulting from lawsuits, actions, orders, judgments, investigations, and other proceedings.

FIGURE B-1



SITE PLAN - AREA OF CONCERN
QUEBECOR WORLD
 333 ROLLER STREET

Alley & Associates
 INCORPORATED
 Environmental Remediation
 Health & Safety
 1000 Avenue du Parc
 Montreal, Quebec H3A 2K4
 Telephone: (514) 392-1111
 Fax: (514) 392-1112
 E-mail: info@alley.com

DATE: _____
 SCALE: 1"=100'
 DRAWN BY: _____
 CHECK BY: _____
 SHEET NO. 2 OF 2

NO.	DATE	BY	DESCRIPTION	REVISIONS

REVISIONS TO DRAWING INCLUDE:
 1. ADDITIONAL MONITORING WELLS (MW-11, MW-12, MW-13) AND AREA OF CONCERN HATCHING.
 2. CORRECTED MONITORING WELL DEPTHS.
 3. CORRECTED MONITORING WELL IDENTIFICATION.
 4. CORRECTED MONITORING WELL LOCATION.
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 99. CORRECTED MONITORING WELL IDENTIFICATION.
 100. CORRECTED MONITORING WELL LOCATION.

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EXHIBIT C

BOOK 2613C PAGE 0431

1. County taxes for the year of 2007 a lien, due and payable, but not delinquent until March 1, 2008.
2. Easement and Waiver Agreement of record in Book 1829C, page 437 and re-recorded in Book 1830C, page 484 and Book 1834C, page 406 in the Register's Office for Sullivan County, Tennessee.
3. Any rights which the City of Kingsport may have acquired to maintain and/or operate an underground sewer or drainage pipe line, and any rights incident thereto, which line is now located upon the Property, as set out in the deed dated April 25, 1938, from Kingsport Corporation to Kingsport Press, Inc. of record in Deed Book 34-A, page 549 in the Register's Office for Sullivan County, Tennessee.
4. Easement of record in Deed Book 39-A, page 5 in the Register's Office for Sullivan County, Tennessee.
5. Easements of record in Book 171A, page 474 and Book 168A, page 559 in the Register's Office for Sullivan County, Tennessee.
6. Right, title and interest, if any, of others in the alley located along the southwest line of the Property.
7. Agreement of record in Book 833C, page 9 in the Register's Office for Sullivan County, Tennessee.
8. Reservation of pipeline easement of record in Deed Book 86-A, page 224 in the Register's Office for Sullivan County, Tennessee.

6612883.2

**MARY LOU DUNCAN
REGISTER OF DEEDS
SULLIVAN COUNTY, TENNESSEE**

04 Dec 2007	TIME	02:25 p
BOOK 2613C	PAGE	0419
TAX	C	CF 2.00
FEE 65.00	TOTAL	67.00
RECEIPT NO. 2007-066256		

Sullivan County, Tenn, Register of Deeds: Received for record on the 04 day of Dec, 2007 at 02:25 PM Noted in Note Book 0083 Page 0054

Mary Lou Duncan

EXHIBIT F

Final Bid as Offer to Purchase

Tax I.D. Map 046-H, Group J, Parcel 006.00

Corner of Roller Street and the Northern Entrance to Arch Street, Kingsport, Tennessee

I hereby submit an offer to purchase the real property described in the **PUBLIC AUCTION - OFFER TO PURCHASE REAL PROPERTY PACKET – CORNER OF ROLLER STREET AND THE NORTHERN ENTRANCE TO ARCH STREET** dated _____, 2013 in the amount of _____ (\$ _____) Dollars subject to the terms and conditions previously described in the **PUBLIC AUCTION - OFFER TO PURCHASE REAL PROPERTY PACKET – CORNER OF ROLLER STREET AND THE NORTHERN ENTRANCE TO ARCH STREET**.

This offer to purchase is accompanied by a deposit in the form of a check in the amount of _____ (\$ _____) Dollars, made payable to: City of Kingsport, Tennessee. In consideration of the Board of Mayor and Aldermen considering the acceptance of this offer, the undersigned agrees that this offer is binding on the undersigned for a period of sixty (60) days from _____, 2013. The deposit of the final bidder will be held as earnest money and will be nonrefundable, unless the offer to purchase is not accepted by the Board of Mayor and Aldermen. In that event the deposit will be returned to such bidder by certified mail without interest, as promptly as possible after the determination of the Board of Mayor and Aldermen not to accept the offer.

In the event this offer is accepted, the quitclaim deed should name the following as grantee(s):

Signature of Bidder

Printed name of Bidder

Address _____

Contact Information _____

ALL BLANKS MUST BE FILLED IN