

**GROUND
TECHNOLOGY, INC.**

February 11, 1998

Mr. Scott E. Lawrence
c/o Mr. Donald Munday
B.K. Barringer and Associates, P.A.
104 Westfield Center
Mooresville, NC 28115

RE: Kings Grant Property (Irvin Property)
Tract #1
Belt Road
Concord, North Carolina
GTI-80120

Dear Mr. Munday,

Per your request Ground Technology Inc. (GTI) has performed an evaluation of the referenced approximately 48 acre property. The evaluation consisted of performing auger borings to determine the presence and/or depth to rock.

On January 26, 1998, GTI mobilized to the referenced property with heavy equipment. The heavy equipment consisted of initially a Cat D-7 HiTrack Dozer which could only provide limited access. A track hoe was also mobilized to construct a temporary dam across a strong flowing spring in the northeast corner of the property. Upon completing access with the dozer a total of one east/west road was cleared with three roads cut paralleling the existing slope at varying elevations.

GTI performed twenty-nine (29) borings utilizing a 4X4 truck mount drill rig. All borings were extended to depths ranging up to forty feet below existing ground surface or to auger refusal. All borings were limited to the higher elevations of the property (plus floodplain elevation). The boring depths were field estimated using the floodplain elevation as a boring termination elevation. The borings at or near the top of the slope were extended to a maximum forty feet or auger refusal. A general soil classification was noted at each boring location and is attached for your review. Overall the soils encountered appear to be suitable for structural fill placement ranging from fine sandy silts to pit gravel. Auger refusal (rock) was encountered in six borings B-8, B-11, B-16, B-

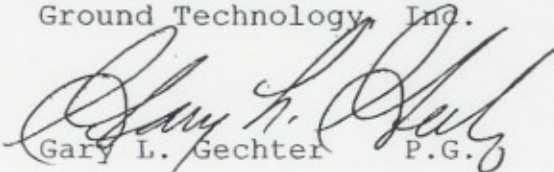
18, B-19 and B-24. Top of rock depths varied in these boring from two to twenty-four feet below existing ground surface. It should be noted that based on various rock outcroppings and the type of rock encountered the rock is fractured and appears to be rippable to additional depths.

In addition to the borings two test pits were excavated with the track hoe in the floodplain fringe. These test pits were excavated to firm bearing materials as noted on the attachment.

All boring locations as previously indicated were field located based on referencing from property corners and topographic features. The borings were extrapolated on to a topographic map of the property provided by B.K. Barringer and Associates. Please find attached a boring location plan which indicates the boring number and depth to boring termination or rock as referenced from existing ground surface.

GTI appreciates the opportunity to provide these services to you. If you should have any questions, please call us at your convenience.

Sincerely,
Ground Technology, Inc.


Gary L. Gechter P.G.