

Proposed park and trail on the Mountain Companies' property
locally known as the "Devil's Backbone"

The proposed trail segment which passes through the Mountain Companies' property begins at the former CSX passenger depot near Cross St. in Olive Hill, runs east past the Olive Hill Waste Water Treatment plant, passes through the "Brooks heirs" portion of the "Devil's Backbone" and then crosses the Tygart Creek at the east end of the Mountain Companies property.

The proposed trail will typically be some eight feet in width. Minimal grading will be done and the trail base will be composed of a rock and rock-dust material which will be replaced with asphalt as funding becomes available.. The trail will be exclusively used for walking, biking and equestrian activities. No motorized vehicles (other than trail maintenance vehicles) will be permitted on the trail.

We plan on developing a network of walking trails throughout the property. These would be narrower than the main trail and in some cases would remain unpaved. The natural character of the area would be retained. We have plans for picnic and light recreational uses of specific areas of the property, but the primary goal will be to retain the natural beauty of the area.

Signage on the trails will highlight the natural qualities and history of the property. Permanent recognition would be given to individuals and organizations who contributed to the creation of the park and trail.

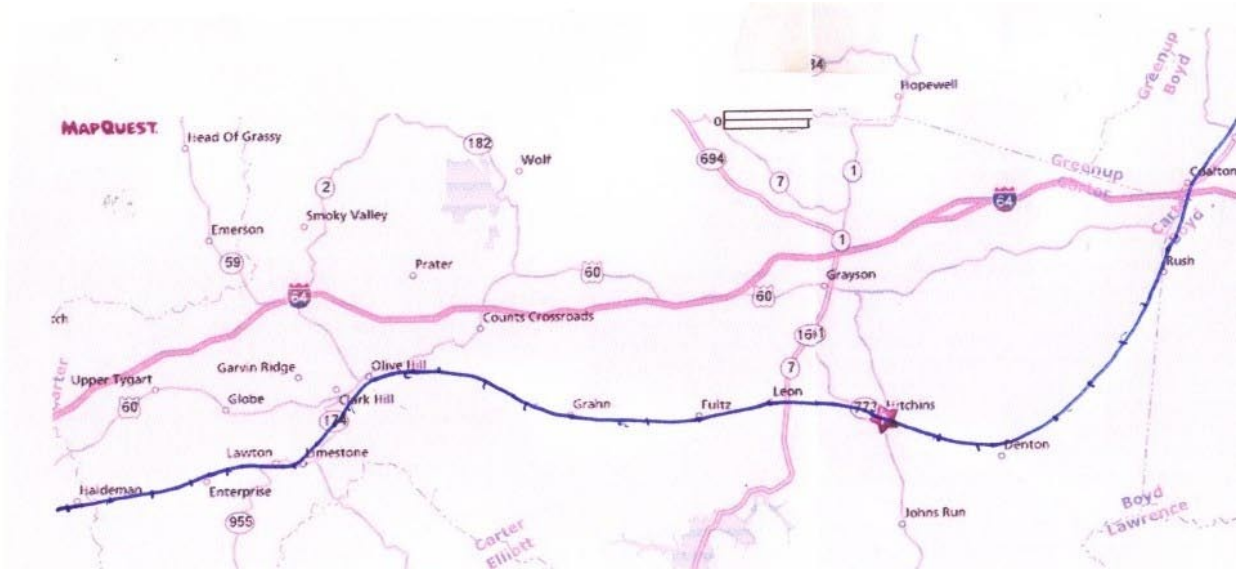
As a point of information, the owners (the Brooks heirs) of the western portion of "Devil's Backbone" have already agreed to donate their property as a public space for trails and a park.

As cited in the deed, there is a family cemetery located in the southern quadrant of the property. An extension of Cold Springs Rd. at one time gave public access to the cemetery. In recent years the road has fallen into disrepair, but local residents are presently planning on re-opening the road to foot traffic.

Funding for the development and maintenance of the trail and park will come from voluntary contributions, the Commonwealth of Kentucky, Carter County and the City of Olive Hill.

URL for the web page for our Carter County Rails-to-Trails Project:
http://www.rootsweb.ancestry.com/~kycarter/Rails_to_Trails/Rails_to_Trails_index.htm

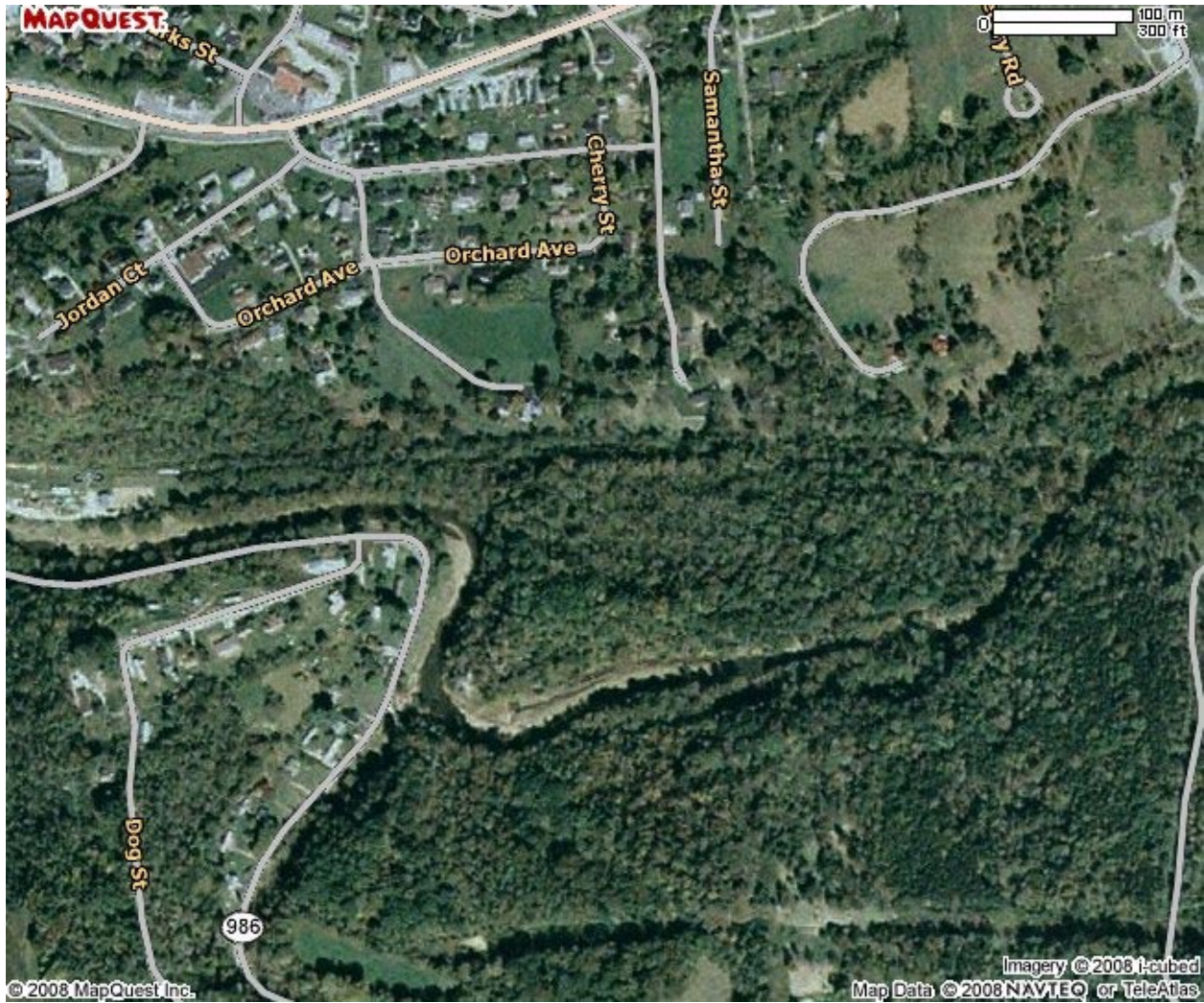
The Morehead-Ashland Segment of the Lexington-Ashland Rail Trail



Street map of the "Devil's Backbone" area



Aerial photos of the "Devil's Backbone" area





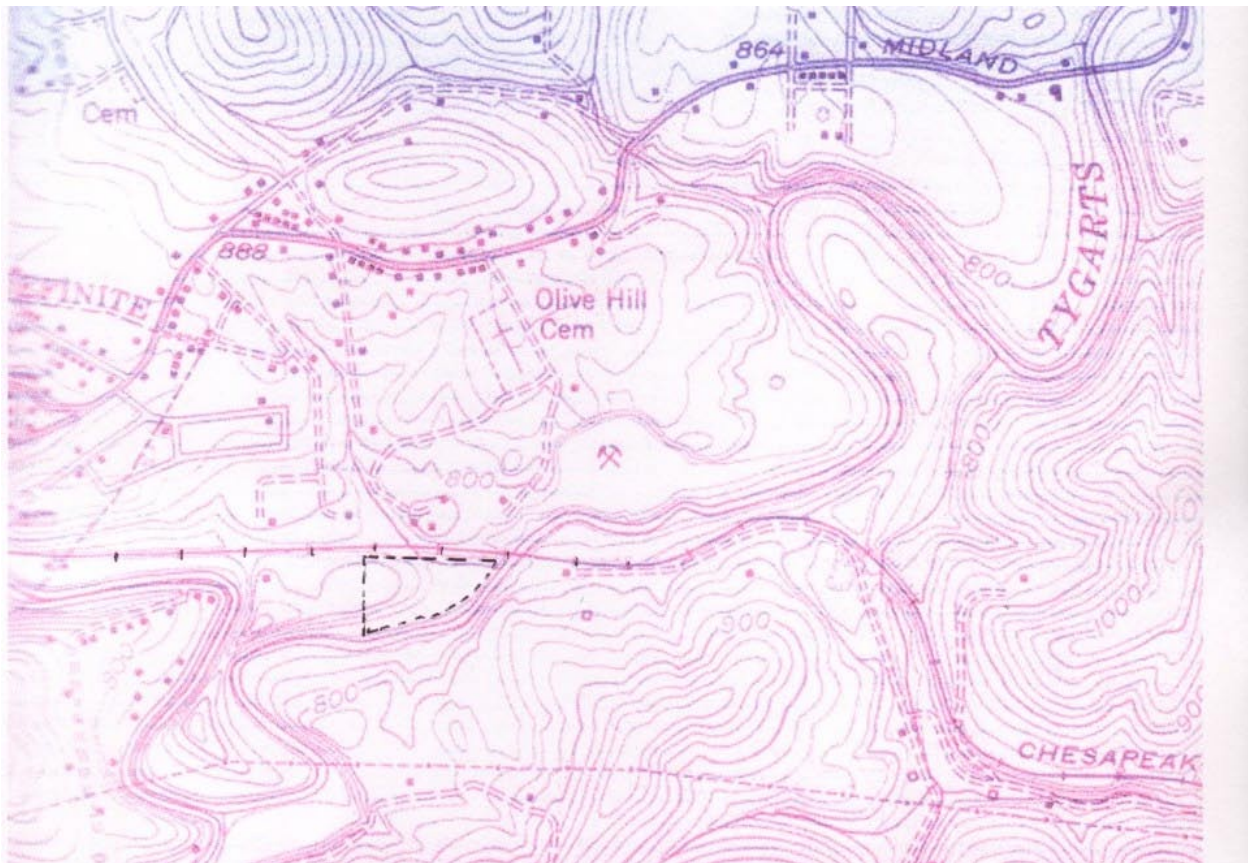
Topo map of the " Devil's Backbone" area

The topography is very steep in the western area of the property, Particularly near Tygart Creek. There are some level areas in the east, between the creek and the old CSX Railroad right-of-way.

The railroad right-of-way is elevated above the surrounding terrain by about 12-18 feet.

The railroad right-of-way and the creek combine to effectively land-lock the Mountain Companies property.

Note that the topo map shows the old routing of Tygarts Creek. The tear-drop shaped path of the stream bed was excised some years ago so that the stream now flows close to the southwest headlands of the "Devil's Backbone"



KENTUCKY
CARTER COUNTY

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED made and entered into this 28th day of October, 2005, by and between VALLEY STONE, LLC, a limited liability company, having an address of 2257 Executive Drive, Lexington, Kentucky 40505, ("Grantor"); and Oldcastle Mountain Enterprises, Inc., a Delaware corporation, having an address of 1055 Thomas Jefferson St NW, Suite 400, Washington, DC 20007, ("Grantee") (the designation Grantor and Grantee as used herein shall include singular, plural, masculine, feminine or neuter as required by context).

WITNESSETH:

That for good and valuable consideration, more particularly described below, the receipt and sufficiency of which is hereby acknowledged, the GRANTOR has this day BARGAINED and SOLD and by these presents does hereby GRANT, CONVEY, TRANSFER and ASSIGN unto the GRANTEE, its successors and assigns, forever, WITH COVENANT OF SPECIAL WARRANTY, all of its interest, right, title, and estate in lands and easements, together with all buildings, structures and other improvements located, erected, constructed, or placed thereon, including all fixtures of every kind and nature, and all reversions, remainders, rents, issues and profits of any and all of the lands located, lying and being in CARTER COUNTY, in the Commonwealth of Kentucky, owned and possessed by the GRANTOR, and more particularly described as follows (hereinafter referred to as the "Real Property"):

REAL PROPERTY

That certain tract or parcel of land and interest in land, in fee simple conveyed to Valley Stone, LLC, from Ken-Mor Stone, Inc., by General Warranty Deed dated July 13, 2001, of record in Official Record Book 58, page 458, Carter County Clerk's Office, and as more particularly on Exhibit A, attached hereto and made a part hereof.

Those certain tract or parcel of land and interest(s) in land(s), in fee simple conveyed to Valley Stone, LLC, from Ken-Mor Stone, Inc., and Ruth Bothers, Inc., by General Warranty Deed dated July 13, 2001, of record in Official Record Book 58, page 462, Carter County Clerk's Office, and as more particularly on Exhibit B, attached hereto and made a part hereof.

That certain tract or parcel of land and interest(s) in land(s) conveyed to Valley Stone, LLC, from James Richard Ruth, as Sole Executor of the Estate of James M. Ruth, Jr. (a/k/a Jimmie Ruth), by General Warranty Deed dated July 13, 2001, of record in Official Record Book 58, page 486, Carter County Clerk's Office, and as more particularly on Exhibit C, attached hereto and made a part hereof.

Those certain tract or parcel of land and interest(s) in land(s) conveyed to Valley Stone, LLC, from Ken-Mor Stone, Inc., by General Warranty Deed dated July 13, 2001, of record in Official Record Book 58, page 490, Carter County Clerk's Office, and as more particularly on Exhibit D, attached hereto and made a part hereof.

Those certain tract or parcel of land and interest(s) in land(s), in fee simple, conveyed

to **Valley Stone Company, LLC**, from Stella Fultz, Faye and Hubert Crawford, and Olive and Claude Erwin by Quit-Claim Deed dated in November 15, 2001, of record in Official Record Book 66, page 560, Carter County Clerk's Office, and as more particularly on Exhibit E, attached hereto and made a part hereof.

THIS CONVEYANCE OF REAL PROPERTY IS MADE SUBJECT to those matters set forth below and those specific matters set forth on Exhibit F attached hereto and incorporated herein by this reference ("Encumbrances and Exceptions").

TO HAVE AND TO HOLD THE SAME, said Real Property, together with all the rights, privileges, appurtenances, immunities and improvements thereunto belonging, or in any way appertaining unto the **GRANTEE**, its successors and assigns, forever.

GRANTOR covenants, warrants and represents that it is lawfully seized of the Real Property more particularly described on Exhibits A through E, and has the full right, power and authority to convey the Real Property.

GRANTOR further covenants, warrants and represents, generally, that the Real Property is free and clear of all taxes, liens and encumbrances, except (a) legal highways, zoning and building laws, governmental laws, ordinances, rules, regulations and restrictions affecting the Real Property conveyed hereby, (d) the Encumbrances and Exceptions, and (e) such other imperfections of title, encroachments, easements, rights-of-way, squatters' rights, encumbrances, covenants, conditions, or restrictions that individually or in the aggregate are not material in character, amount or extent and do not materially adversely affect the title to or the current use (including extraction of minerals) of the Real Property.

The **GRANTOR**, insofar as it has the legal right to do so, does further release, remise and forever quitclaim unto **GRANTEE**, all of **GRANTOR'S** right, title and interest, if any, in and to all roadways, streets, alleys, and rights-of-way adjacent to, or abutting on, the Real Property conveyed hereby.

The terms and provisions contained in this Special Warranty Deed shall be binding upon **GRANTOR** and inure to the benefit of **GRANTEE** and its respective successors and assigns.

Pursuant to KRS 382.135, **GRANTOR**, hereby certifies, and **GRANTEE** appears herein solely for the purpose of certifying, that the consideration paid for the Real Property conveyed by **GRANTOR** is as follows, and that such consideration reflected in this Deed is the full consideration respectively paid for the Real Property:

Exhibit A		\$2,000.00
Exhibit B	Parcel 1	\$100,000.00
Exhibit B	Parcel 2	\$5,500.00
Exhibit B	Parcel 3	\$47,000.00
Exhibit B	Parcel 4	\$15,000.00
Exhibit B	Parcel 5	\$19,000.00
Exhibit B	Parcel 6	\$120,000.00
Exhibit B	Parcel 7	\$3,500.00
Exhibit C		\$3,300.00
Exhibit D	Parcel 1	\$7,500.00
Exhibit D	Parcel 2	\$25,000.00
Exhibit D	Parcel 3	\$14,000.00
Exhibit E		\$12,500.00

CARTER COUNTY

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EXHIBIT D
(Carter County)

NOT IN A QUARRY

1. **Parcel (D)(1) Old Ernest McCleese property:**

Lying and being on the waters of Tygarts Creek in Carter County, Kentucky, and more fully bounded and described as follows:

Beginning at a point in the main line of C&O Railroad right-of-way about 3/4 miles from the C&O Depot in Olive Hill, Kentucky (according to Paynter & Tabor deed); thence with said right-of-way easterly direction with the line of the Old Olive Hill (Kinzor) Limestone and C&O line; thence in a southerly direction to and with Tygarts Creek and the meanders thereof to a boundary tree; thence up the hill to the top thereof, to the line of Brooks or Hays; thence with the same to the beginning point, containing 9 acres, more or less. Being described in former deeds as Tracts Nos. One and Two of the Paynter Deed of Tabor, Deed Book 66 Page 219, Carter County Deed Records for a complete description thereof.

Being the same property acquired by Ken-Mor Stone Company, Inc., by Commissioner's Deed dated February 1, 1983, of record in Deed Book 187, Page 149, in the Carter County Clerk's office.

There is excepted from the foregoing, that certain deed of dedication and out conveyance dated June 3, 1970, from Earnest McCleese, a widower, to The Ernest McCleese Cemetery Association, Ernest McCleese, or his successors, in the McCleese Cemetery Association, of record in Deed Book 149, Page 29, in the aforesaid office, more particularly described as follows:

Lying and being on Tygarts Creek, about one mile more or less from Olive Hill, Carter County, KY, and described as follows: This Family Cemetery is dedicated and as follows. This Cemetery is already fenced in, and is 28 x 28 feet, and is deducted from the Property of Ernest McCleese. The Old Road going to the Cemetery is known as the Cold Springs Road, which is to be kept open and not fenced in, and if at any other time a new road is made to the Cemetery the First Party (Earnest McCleese) and family is to have the right to use the same and any interest otherwise reverts back to the original farm or tract of land. This is reserved even if the first party sells the remainder of the land. This is a 28 by 28 Cemetery Dedication and the surrounding 20 feet on each side of said Cemetery also. Making a total Dedication of land for Cemetery purposes of 48 by 48 feet, which includes the original 28 by 28 feet already under fence.

2. **Parcel (D)(2) Old Corey Branch property:**

Containing nineteen acres, more or less, situated on the waters of Tygarts Creek, about one mile east of Olive Hill, adjacent to and on the south side of the C&O Railway, lying between the land of F.G. Tyree on the west and H.B. Young on the east, and bounded as follows, to wit:

Beginning at a set stone on a ridge, a corner of H.B. Young, thence down the hill with a fence, N 88 E 69 4/10 poles to a stake in the road; thence north and west with the C&O Railway Company's right-of-way on the south side of said railway, to a stone in F.G. Tyree's line; thence with same, southeast 16 poles to a fence and with it, S 20 1/2 E 14 6/10 poles;