

STATE OF NORTH CAROLINA  
HYDE COUNTY

IN THE GENERAL COURT OF JUSTICE  
SUPERIOR COURT DIVISION  
25CV000024-470

DOGWOOD STATE BANK, )  
 )  
Plaintiff, )  
 )  
vs. )  
 )  
SILVER LAKE PROPERTY, LLC, )  
SILVER LAKE PARK, LLC, )  
JOLLY ROGERS OCRACOCKE, LLC, and )  
HAE-CHAN PARK, )  
 )  
Defendants. )  
\_\_\_\_\_ )

**MOTION FOR ORDER: (I) ALLOWING PRIVATE SALE OF PROPERTY FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS; (II) APPROVING STALKING HORSE BIDDER; AND (III) APPROVING STALKING HORSE BREAK-UP FEE AND SALE PROCESS**

NOW COMES George Mason Oliver, court-appointed Receiver for Silver Lake Property, LLC; Silver Lake Park, LLC; and Jolly Rogers Ocracoke, LLC (collectively referred to herein as “Silver Lake Entities”), by and through undersigned counsel, and moves this Court for an Order: (i) allowing private sale of property free and clear of liens, claims, encumbrances, and interests with such liens, claims, encumbrances, and interests to attach to the proceeds of sale; (ii) approving stalking horse bidder, and (iii) approving stalking horse break-up fee and sale process (the “Motion”). In support of the Motion, Receiver respectfully shows unto the Court the following:

**Relevant Facts and Case History**

1. On May 12, 2025, Dogwood State Bank filed a Complaint against the Silver Lake Entities and Hae-Chan Park. The Complaint asked for appointment of a Receiver.

2. On June 2, 2025, this Court conducted a hearing on Dogwood State Bank's motion for Receiver, and the Court orally approved the motion at the conclusion of the hearing.

3. On June 5, 2025, this Court entered its Order Appointing Receiver. Since that time, the Receiver has served as the general Receiver for each of the Silver Lake Entities, managed the properties owned by the Silver Lake Entities, investigated the affairs and assets of the Silver Lake Entities, and explored options for sale of the property owned by the Silver Lake Entities.

4. Each of the Silver Lake Entities is a North Carolina limited liability company. Collectively, the Silver Lake Entities own and operate the property known as the Silver Lake Motel and Inn at Ocracoke Island, and also own the property where the Jolly Roger restaurant previously operated. Silver Lake Property, LLC owns five parcels of real property commonly known as 395 Irvin Garrish Highway (Hotel parcel, REID No. 1121), 439 Irvin Garrish Highway (Condo parcel, REID No. 1123), Vacant Lot behind Condo Parcel (Vacant parcel, REID No. 1122), 410 Irvin Garrish (Harbor Front parcel, REID No. 1124), and 0 Irvin Garrish Highway (14' Driveway, REID No. 1119) located in Ocracoke, North Carolina (collectively referred to herein as "Properties").

5. Receiver filed a Notice on June 18, 2025, regarding its retention of Country Boys Auction & Realty, Inc., to assist Receiver in marketing the Properties.

6. Receiver and his advisors have determined that the best way to sell the Properties is through a stalking horse auction process, as outlined herein.

7. Receiver has spoken with many people who have expressed an interest in purchasing the Properties. The Receiver has received an offer from Carolina Syndication, LLC ("Stalking Horse Bidder" or "Purchaser"), which is acceptable to the Receiver. Stalking Horse

Bidder has agreed that Receiver may publicize its bid as outlined herein as part of the stalking horse auction process.

### **Proposed Sale**

8. Subsequent to several rounds of negotiations, Debtor entered into a Purchase and Sale Agreement (the “Purchase Agreement”) with Stalking Horse Bidder for the Properties and all tangible personal property owned by the Silver Lake Entities which is present on the Properties and used for the operation of the motel (referred to herein as “Sale Assets”). A copy of the Purchase Agreement is incorporated herein by reference and attached hereto as **Exhibit A**.

9. The Purchase Agreement is expressly subject to approval by this Court in all respects. The Purchase Agreement can be summarized as follows<sup>1</sup>:

|                                                      |                                                                                                                                                                                                                                |
|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Overview of Transaction</b>                       | The Purchaser would purchase the Properties and substantially all of the tangible assets of the Silver Lake Entities used in connection with the operation of the motel.                                                       |
| <b>Property to be Purchased</b>                      | The Purchaser would purchase the Properties and substantially all of the tangible assets used in connection with the Silver Lake Entities’ operation of the motel.                                                             |
| <b>Excluded Assets</b>                               | All intangible assets of the Silver Lake Entities, any assets of the Silver Lake Entities not used in the operation of the motel, and all tangible assets located at the motel which do not belong to the Silver Lake Entities |
| <b>Purchase Price</b>                                | \$2,800,000.00                                                                                                                                                                                                                 |
| <b>Earnest Money Deposit</b>                         | \$280,000.00, to be held by Country Boys Auction & Realty, Inc. (10% of bid price)                                                                                                                                             |
| <b>Inspection Period / Due Diligence Contingency</b> | Purchaser shall complete its due diligence in advance of the auction to be held on July 29, 2025. There is no due diligence contingency, and no other contingencies of any kind.                                               |
| <b>Overbid Deadline</b>                              | 5:00 p.m. EST, July 25, 2025                                                                                                                                                                                                   |
| <b>Auction Date and location:</b>                    | 10:00 a.m. EST, July 29, 2025, The Law Offices of George Oliver, PLLC, 405 Middle Street, New Bern, NC 28560                                                                                                                   |

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<sup>1</sup> Should the terms provided below differ from the Purchase Agreement, the Purchase Agreement shall control.

|                              |                                                                                                                                        |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <b>Closing</b>               | Closing shall occur on or before September 12, 2025, time being of the essence.                                                        |
| <b>Financing Contingency</b> | None.                                                                                                                                  |
| <b>Condition of Property</b> | As-is, where-is, free and clear of liens, claims and encumbrances and conveyance of good and insurable title by special warranty deed. |
| <b>Break-Up Fee</b>          | \$50,000.00                                                                                                                            |
| <b>Competing Bids</b>        | Must exceed offer by not less \$100,000.00                                                                                             |

10. Each party is responsible for its own attorneys' fees and other professionals' fees incurred in connection with the Purchase Agreement, this case, and the transactions or other matters related thereto as contemplated by the parties to the Purchase Agreement.

11. The Silver Lake Entities are willing to sell the Sale Assets as identified more fully in **Exhibit A** under the terms and conditions set forth in this Motion with its attachments.

12. Receiver believes a sale that is in accordance with the conditions proposed in the Purchase Agreement is in the best interest of the Silver Lake Entities, their creditors, and all parties in interest.

13. Receiver requests that the sale of the Sale Assets be made free and clear of any and all liens, encumbrances, claims, rights and other interests, including but not limited to the following:

- a. Any and all personal property taxes due and owing to any City, County, or municipal corporation;
- b. Dogwood State Bank; and
- c. Any and all remaining interests, liens, encumbrances, rights and claims asserted against the Sale Assets and/or the Silver Lake Entities, which relate to or arise as a result of a sale of the Sale Assets, or which may be asserted against the purchaser of the Sale Assets including, but not limited to, those liens, encumbrances, interests, rights and claims, whether fixed

and liquidated or contingent and unliquidated, that have or may be asserted against the Sale Assets and/or the Silver Lake Entities Business or the purchaser of the Sale Assets by the North Carolina Department of Revenue, the IRS, and any and all other taxing government authorities.

14. If any creditor or party in interest claiming a lien upon or interest in the Sale Assets does not object within the time allowed, such creditor shall be conclusively deemed to have consented to sale of the Sale Assets free and clear of its liens or interests.

15. Receiver asserts that the proposed sale was negotiated in good faith.

16. Receiver further asserts that the proposed sale represents an appropriate stalking horse bid in a court approved auction procedure, as detailed below.

#### **Bidding Procedures**

17. Receiver, through this Motion, seeks approval of a procedure for the orderly sale of the Sale Assets to further maximize the recovery for the Silver Lake Entities on the terms set forth herein, according to the Bidding Procedures set forth below:

- a. Purchaser will serve as the Stalking Horse bidder for the Sale Assets;
- b. The auction shall be a one-day auction at Receiver's law office in New Bern, NC;
- c. Bids shall be made in increments of \$100,000.00 over prior offer/bid with an initial minimum overbid requirement of \$2,900,000.00;
- d. If the Purchaser is not the successful winning bidder for the Sale Assets, Purchaser would receive a break-up fee equal to \$50,000.00 upon closing of a transaction with a buyer at higher and/or better terms; and
- e. The Overbid Offer and Registration Form is attached hereto as **Exhibit B**.

18. The Stalking Horse Bidder has no direct relationship with Receiver or the Silver Lake Entities.

19. Receiver asserts that the Bidding Procedures provide for an efficient means to evaluate potential competing bids for the Sale Assets, thereby providing the greatest potential to further maximize value to the Silver Lake Entities.

20. In connection with the proposed Stalking Horse Bidder, Receiver has offered a break-up fee in the amount of \$50,000.00 in the event the Stalking Horse Bidder is outbid. In other courts, including in bankruptcy cases, break-up fees are normal, appropriate and sometimes necessary components of sales outside the ordinary course of business as is proposed here. See, e.g., *In re Integrated Resources, Inc.*, 147 B.R. 650, 660 (S.D.N.Y. 1992) (explaining that break-up fee may “be legitimately necessary to convince a single white-knight to enter the bidding by providing some form of compensation for the risk it is undertaking”). Break-up fees encourage bidding because they “attract or retain a potentially successful bid, (2) establish a bid standard or minimum for other bidders to follow... (3) or attract additional bidders.” *Id.* at 662.

21. In considering whether to approve a break-up fee, courts undertake the following analysis: (1) examine the relationship between the initial bidder and the seller; (2) consider whether the fee is designed to encourage or hamper bidding; and (3) determine the reasonableness of the size of the fee in relation to the purchase price. *See Id.* at 657-63.

22. Receiver believes that the designation of Purchaser as the Stalking Horse Bidder on the terms set forth herein are beneficial to the sales process and will aid Receiver in obtaining the maximum purchase price for the Sale Assets. Specifically, such designation: (1) encourages early bidding; (2) aids Receiver in obtaining bids that may be higher and/or better than the bidder would have otherwise offered; (3) creates positive momentum going into the potential auction;

(4) establishes a floor price for the bid deadline and process; and (5) provides greater certainty of closing.

23. Receiver believes that the proposed break-up fee, which would be paid from the sales proceeds after closing in the event the Stalking Horse Bidder is not the successful bidder, is a reasonable and appropriate amount in relation to the proposed Purchase Price. Such break-up fee would compensate the Stalking Horse Bidder for its time and professional fees and expenses incurred in negotiating the Purchase Agreement and reviewing information necessary to serve as the stalking horse, as well as for the time and energy expended as a result of the attempted acquisition of the Sale Assets.

24. Receiver respectfully requests that the Court approve the Purchase Agreement and the designation of Purchaser as the Stalking Horse Bidder for the proposed sale of the Sale Assets on the terms set forth herein.

25. In the event that a Qualified Bidder is the winning bidder but fails to close on the sale of the Sale Assets, the next highest bidder shall be required to honor its next highest bid and close on the sale.

26. Failure to close on the sale of the Sale Assets shall leave the nonperforming higher bidding parties with liability for breach of contract for the difference between the amount of the high bid and any future net sale proceeds received on the actual sale of the property, plus such other claims and causes of action as may be available under North Carolina law and such other laws as may apply.

27. Receiver requests that the Court establish a date for the Auction whereby the Sale Assets will be auctioned if one or more Qualified Bidders submit a qualifying overbid. In order to be a Qualified Bidder at the Auction, Receiver must receive from such prospective Qualified

Bidder on or before July 25, 2025 at 5:00 p.m. EST completed Offer & Bidder Registration Form (**Exhibit B-1**) and verification of sufficient funds readily available to pay the cash due at Closing; and a signed Overbid Purchase Agreement (**Exhibit B-2**).

28. Upon completion of the sale of the Sale Assets, Receiver will file a subsequent Motion for authority to disburse the closing proceeds, except for the items specifically authorized herein.

29. Lastly, based upon the amount of the ultimate Purchase Price set forth in the Purchase Agreement, Receiver respectfully requests authorization to pay the commission of Country Boys Auction & Realty, Inc. from the sales proceeds at closing without separate application to the Court.

WHEREFORE, Receiver prays upon the Court the following:

1. For an Order allowing the sale of the Sale Assets free and clear of all liens, claims, encumbrances, rights and interests as described herein or as may otherwise exist;
2. For an Order allowing the sale of the Sale Assets to the Stalking Horse Bidder based on the terms and condition as set forth in the Purchase Agreement;
3. For an Order allowing Carolina Syndication, LLC to serve as the Stalking Horse Bidder;
4. For an Order approving the proposed Bidding Procedures;
5. For an Order approving the payment of the break-up fee in the amount of \$50,000.00 to be paid from the sales proceeds to the Stalking Horse Bidder at closing should the Stalking Horse Bidder be unsuccessful;
6. For an Order establishing that the auction will take place as set forth herein, whereby the Sale Assets will be auctioned if one or more Qualified Bidders submit a qualifying



overbid; and

7. For such other and further relief as the Court may deem just and proper.

This the 20th day of June, 2025.

The Law Offices of George Oliver, PLLC

s/George Mason Oliver

George Mason Oliver

N.C. State Bar No. 26587

PO Box 1548

New Bern, NC 28563

252-633-1930

252-633-1950 (fax)

Email: [george@georgeoliverlaw.com](mailto:george@georgeoliverlaw.com)

*Attorney for Receiver*

### **CERTIFICATE OF SERVICE**

I hereby certify that I this day have served a copy of this pleading upon the other parties to this action by electronic email to the email addresses identified below, or by depositing a copy thereof in an envelope bearing sufficient postage in the United States mail addressed to counsel for said parties, this 20th day of June, 2025.

|                                                                                                                                                                        |                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| William Walt Pettit<br>Hutchens Law Firm, LLP<br><a href="mailto:walt.pettit@hutchenslawfirm.com">walt.pettit@hutchenslawfirm.com</a><br><i>Attorney for Plaintiff</i> | Silver Lake Property, LLC<br>c/o James R. Gilreath, Jr., Reg. Agent<br>P.O. Box 405<br>Kill Devil Hills, NC 27948                  |
| Silver Lake Property, LLC<br>c/o James R. Gilreath, Jr., Reg. Agent<br>700 Blue Jay Street, Suite 1<br>Kill Devil Hills, NC 27948                                      | Silver Lake Park, LLC<br>c/o James R. Gilreath, Jr., Reg. Agent<br>P.O. Box 405<br>Kill Devil Hills, NC 27948                      |
| Hae-Chan Park<br>1894 Preston White Drive<br>Reston, VA 20191<br><i>Pro Se Defendant</i>                                                                               | Silver Lake Park, LLC<br>c/o James R. Gilreath, Jr., Reg. Agent<br>700 Blue Jay Street, Suite 1<br>Kill Devil Hills, NC 27948      |
| Jolly Rogers Ocracoke, LLC<br>c/o James R. Gilreath, Jr., Reg. Agent<br>P.O. Box 405<br>Kill Devil Hills, NC 27948                                                     | Jolly Rogers Ocracoke, LLC<br>c/o James R. Gilreath, Jr., Reg. Agent<br>700 Blue Jay Street, Suite 1<br>Kill Devil Hills, NC 27948 |
| William Park<br>436 Springvale Road<br>Great Falls, VA 22066                                                                                                           | Country Boys Auction & Realty, Inc.<br>1211 W. 5 <sup>th</sup> Street<br>Washington, NC 27889                                      |
| Franz Holscher<br>Hyde County Attorney<br>PO Box 1747<br>Washington, NC 27889                                                                                          | Hyde County Tax Office<br>PO Box 188<br>Swan Quarter, NC 27885                                                                     |

The Law Offices of George Oliver, PLLC

/s/ George Mason Oliver  
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*Attorney for the Receiver*

# PURCHASE AND SALE AGREEMENT

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THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of the 20th day of June, 2025 (the "Effective Date"), by and between:

SELLER: **Silver Lake Property, LLC**

BUYER: **Carolina Syndication, LLC**

## RECITALS

WHEREAS, Seller desires to sell, and Buyer desires to purchase, the Property (as defined below) on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the parties agree as follows:

## 1. PROPERTY DESCRIPTION

The real property known as the Silver Lake Motel and Inn and Jolly Roger lot, located at 395, 410 and 439 Irvin Garrish Hwy, Ocracoke, NC 27960 (the "Property"), including all improvements, fixtures, rights, privileges, easements, and appurtenances thereto, and as more particularly described in Exhibit A attached hereto, including the attached aerial map.

## 2. PURCHASE PRICE

The total purchase price ("Purchase Price") **\$2,800,000, as stated, two million and eight hundred thousand dollars**, payable in all cash with no financing contingency.

a) Earnest Money Deposit (either option): **\$280,000, as stated, two hundred eighty thousand dollars**, to be deposited with Country Boys Auction & Realty, Inc. ("Escrow Agent") as follows:

- (1) \$100,000.00 within five (5) business days following the Effective Date;  
and
- (2) \$180,000.00 on July 14, 2025 at the hearing on approval of the sale motion.

b) Balance of Purchase Price: The remaining balance shall be paid by wire transfer at Closing.

### **3. COURT APPROVAL**

Seller shall file a Motion with the Hyde County Superior Court to approve this Agreement and the sale procedure within five days of the Effective Date. The Motion will be heard in Beaufort County Superior Court by the presiding Superior Court Judge at 10:00 a.m. on July 14, 2025. This contract is subject to court approval, and has no effect if the court does not approve it.

The Motion will also seek approval of a stalking horse bidding process, summarized as follows::

- a. Interested bidders shall have until 5:00 p.m. EST on July 25, 2025 to submit an Overbid to Receiver. The Overbid must be on the form provided with the Motion, and must match the terms of this Agreement, with the following exceptions:
  - a. The Overbid must be in the amount of \$2,900,000.00; and
  - b. The Overbid must include proof of the bidder's financial ability to close on the sale. Receiver shall determine financial ability to close in his sole discretion, based upon documentation provided by bidders.
- b. If any qualified Overbids are received, an auction shall be held at Receiver's law office at 405 Middle Street, New Bern, NC at 10:00 a.m. EST on July 29, 2025. Only qualified bidders, including Buyer, will be permitted to participate in the auction. If Buyer is not the highest bidder at the auction, Buyer will be paid a break-up fee of \$50,000.00 from the sale closing proceeds.
- c. The highest bidder at the auction shall pay a deposit of ten percent (10.0%) of the successful high bid, at the end of the auction, to be held in escrow and applied to the purchase price.

### **4. CLOSING**

The closing of the purchase and sale contemplated hereby ("Closing") shall occur no later than September 12, 2025, time being of the essence, or such other date as may be mutually agreed in writing by the parties.

## **5. TITLE AND CONVEYANCE**

Seller shall convey to Buyer good and marketable fee simple title to the Property by Special Warranty Deed, free and clear of all liens, encumbrances, and title defects except for permitted exceptions approved by Buyer.

Buyer may obtain, at its sole expense, an owner's title insurance policy insuring Buyer's title to the Property.

## **6. REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller represents and warrants to Buyer that, as of the Effective Date and again as of the Closing:

- a) Seller has full right, power, and authority to sell the Property, subject to approval by the Hyde County Superior Court; and
- b) No leases, contracts, or third-party rights affect the Property except as disclosed in Exhibit B

## **7. INSPECTIONS AND CONDITION OF PROPERTY**

Buyer shall have the right to enter upon the Property at reasonable times, upon reasonable prior notice to Seller, to perform inspections and tests, with prior consent of Receiver, not to be unreasonably withheld.

The Property shall be conveyed in "AS IS, WHERE IS" condition.

Seller shall use its best efforts to maintain the Property in substantially the same condition from the Effective Date through the Closing Date.

## **8. PRORATIONS AND CLOSING COSTS**

Taxes, rents, and other income and expenses of the Property shall be prorated as of the Closing Date.

Seller shall pay: preparation of the deed and revenue stamps (excise tax).

Buyer shall pay: title insurance premiums, recording fees, and Buyer's due diligence and legal expenses. Each party shall bear its own attorney fees.

## 9. ASSIGNMENT

Buyer may assign this Agreement to any entity controlled by Buyer upon notice to Receiver, with Receiver's consent, provided Receiver agrees that assignee is a qualified buyer, in Receiver's sole discretion.

## 10. DEFAULT AND REMEDIES

In the event of Seller's default, Buyer may elect to terminate this Agreement and receive only a full refund of the Deposit, and shall have no other remedies at equity or at law.

In the event of Buyer's default, Seller's sole remedy shall be retention of the Deposit as liquidated damages.

## 11. MISCELLANEOUS

a) Governing Law: This Agreement shall be governed by the laws of the State of North Carolina.

b) Entire Agreement: This Agreement constitutes the entire agreement of the parties and supersedes all prior agreements or understandings.

c) Counterparts: This Agreement may be executed in multiple counterparts and by electronic signatures, all of which shall constitute one agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

SELLER: 

Name: Silver Lake Property, LLC by and through its court-appointed general Receiver, George Mason Oliver

Title: Receiver

Date: June 20, 2025

BUYER: Carolina Syndication, LLC

By: Kyle W Barnes

Name: Kyle W. Barnes

Title: Owner

Date: June 20, 2025

## EXHIBIT A

Legal Description of the Property Includes the Following:

All that certain lot or parcel of land situated in Hyde County, North Carolina more particularly described as follows:

Beginning at a point located on the eastern shoreline of Silver Lake at the intersection with the southern line of Katherine Parker-Lowe as described in Deed Book 199, Page 188, and the northern boundary of the lands described herein; thence in an easterly direction along the southern line of Katherine Parker-Lowe N83-07-30E, a distance of 17.49' to an existing 4 inch open pipe 2 feet above grade; thence continuing in an easterly direction along the southern line of Katherine Parker-Lowe N83-07-30E, a distance of 29.77' to a magnetic nail set in the centerline of NC 12, also known as Irvin Garrish Highway, said road having a variable width right of way; thence continuing in a easterly direction along the southern line of Katherine Parker-Lowe N83-07-30E, a distance of 16.83' to an existing 6" square concrete monument 0.4' above grade; thence continuing in a easterly direction along the southern line of Katherine Parker-Lowe N83-07-30E, a distance of 13.02' to an existing fence iron 0.2' below grade; thence continuing in a easterly direction along the southern line of Katherine Parker-Lowe N83-07-30E, a distance of 24.92' to an existing axle 0.4' above grade; thence continuing in a easterly direction along the southern line of Katherine Parker-Lowe N65-33-15E, a distance of 10.68' to an existing  $\frac{3}{4}$ " rebar 0.3' below grade; thence turning in a southeasterly direction along the northern line of Elsie Garrish Subdivision, as recorded in PC C, Slide 89J, S42-17-30E, a distance of 56.45' to an existing 1" rebar 0.8' above grade; thence continuing in a southeasterly direction along the northern line of Elsie Garrish Subdivision S42-17-30E, a distance of 6.95' to an existing 3" open iron pipe in concrete 0.1' above grade; thence continuing in a southeasterly direction along the northern line of Elsie Garrish Subdivision S42-17-30E, a distance of 45.15' to an existing  $\frac{1}{2}$ " rebar flush with grade; thence continuing in a southeasterly direction along the northern line of Elsie Garrish Subdivision S42-



17-30E, a distance of 46.77' to an existing 3" open pipe in concrete, being a corner of the land of Lindsey T. Howard; thence continuing in a southeasterly direction along the northern line of Lindsey T. Howard S42-17-30E, a distance of 39.18' to an existing 1" open pipe flush with grade; thence turning in a southwesterly direction along the line of Lindsey T. Howard, S35-44-30W, a distance of 14.70' to an existing 9" wood post; thence turning in a southeasterly direction along the line of Lindsey T. Howard, S45-22-30E a distance of 64.61' to an open pipe 2' above grade, said point being the corner of Lot 3, "Property of Virginia D. Howard", as shown in PC 8, Slide 41A; thence in a southeasterly direction along the line of said Lot 3 S49-54-00E a distance of 53.85' to a 2" open pipe 0.4' below grade, said point being in the east line of Susan O'Neal as described in DB 123, Page 913; thence turning in a southwesterly direction along the east line of Susan O'Neal S52-34-00W, a distance of 95.78' to a yellow brick monument, said point being a corner of the land of Douglas O'Neal as described in DB 78, Page 79; thence continuing along the line of Douglas O'Neal S65-50-13W, a distance of 60.61' to a 3" open pipe 0.4' below grade; thence continuing along the line of Douglas O'Neal S66-31-23W, a distance of 171.08' to an existing 4" by 5" shell monument 0.6' below grade; thence continuing along the line of Douglas O'Neal S66-31-23W, a distance of 24.81' to a magnetic nail set in the centerline of NC 12, said point also being located N66-31-23"E, a distance of 60.15' from a 1" gun barrel known as "Gun Barrel Point", said point also being the corner of the land of Ruth J. Wilson as described in DB 191, Page 399; thence turning and running a northerly along the centerline of NC 12, and along the east line of Ruth J. Wilson N09-38-44E, a distance of 103.75' to a magnetic nail set; thence continuing along the centerline of NC 12 and the land of Ruth J. Wilson N05-30-07E, a distance of 58.38' to a magnetic nail set, said point being a corner of the land of Bertha G. O'Neal as described in DB 88, Page 448; thence continuing along the centerline of NC 12 and the land of Bertha G. O'Neal N03-40-30E, a distance of 95.03' to a magnetic nail set, said point being a corner of Bertha G. O'Neal; thence turning westerly along the land of Bertha B. O'Neal N80-28-30W, a distance of 80.27' to a magnetic nail set in concrete; thence continuing westerly along the land of Bertha B. O'Neal N80-28-30W, a distance of 2.17', more or less, to the eastern shoreline of Silver Lake; thence

turning northerly and following the eastern shoreline of Silver Lake the following calls: N09-42-20E, a distance of 14.81' to a point; N32-11-04E, a distance of 31.30' to a point; N14-01-01E, a distance of 16.33' to a point; N29-43-35E, a distance of 23.43' to a point; N12-55-03E, a distance of 16.07' to a point; and N13-30-54E, a distance of 19.02' to a point, being the point of beginning, this parcel containing 74,045 square feet, more or less, and being the land described in DB 166, Page 666.

Being that same property shown on the attached survey entitled in part "Silver Lake Property, LLC, Silver Lake, Inn, Silver Lake Motel and Jolly Rodger Restaurant, Ocracoke, Ocracoke Township, Hyde County, North Carolina" by Seaboard Surveying & Planning, Inc. C-1536, dated May 3, 2016.

PIN – 4698

Map Block Lot – 9500-29-4698

Deed Book and Page – 269, 19

PIN – 4575

Map Block Lot – 9500-29-4575

Deed Book and Page – 269, 19

PIN – 3668

Map Block Lot – 9500-29-3668

Deed Book and Page – 269, 19

PIN – 3663

Map Block Lot – 9500-29-3663

Deed Book and Page – 269, 19





## EXHIBIT B

Disclosure of Existing Leases, Contracts, or Third-Party Rights (if any):

Receiver is aware that certain of the units at the Inn are subject to short-term leases. It is Receiver's understanding that all of the leases will expire on their own terms on or before December 31, 2025.