



Mid-South Bank

and Trust Company

August 14, 1978

Mr. William W. Staton
Staton, Betts, Perkinson and West, P.A.
Sanford, North Carolina 27330

Re: Cape Lookout Appraisal
dated 7-27-78

Dear Bill:

I suggest that Mr. Parker might further develop the appraisal of the Cape as follows:

A combination of physical and demographic features give the Cape Lookout tip of Core Banks advantages that render it unique to any property on the east coast:

- a. Proximity to the Gulf Stream (25-30 miles) compared to Wrightsville and points further south of up to 100 miles.
 1. Gulf Stream can be reached easily for big game fishing.
 2. Water temperatures are warmer, improving the fishing and lengthening the season. Give comparisons of Hatteras, Virginia Beach temperature, etc., pointing out that the stream turns away from the coastline at Hatteras.
 3. Warmer water moderates winter air temperatures lengthening the out of door season. For example, surf fishing is strong through Thanksgiving and after well into December. Beach activity picks up, at least for weekends, in April and May. This is not possible further north. Give Comparisons in Hatteras or Nags Head and Virginia Beach temperatures in April and November.
- b. The Cape's shoal waters extending 50 miles southwest into the Atlantic Ocean creating excellent fishing habitat and shielding the Lookout Bight and Shackelford Beach waters from southwest storms.
- c. The deep-up to 30 foot - natural harbor (give demensions) known as Lookout Bight is protected from every side by land. It requires no dredging remaining stable from the days of pre-Revolutionary French fortification efforts through extensive whaling activities in the 1800's and early 1900's centering around Diamond City, destruction of the original light house by the Confederate in the Civil War and convoying in both world wars, to its multiple uses of today.

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1. During the summer thousands of sport and commercial fishing, sailing and pleasure boats seek the protection of the harbor regularly.
 2. The lack of an inlet as Barden's Cut gives a deep water, relatively stable access to the shallow waters of Core Sound and to the mainland.
 3. The Bight connects directly with Atlantic Ocean, itself sheltered at this point by the Cape shoal waters.
- d. Unmatched variety of fishing and water activities within reasonable distances.
1. Off shore
 - a. Big game fishing of the Gulf Stream i.e. white and blue marlin, tarpon etc. give number of Marlin landed recently and point out local marlin tournaments at Morehead and Harker's Island.
 - b. Trolling short of Gulf Stream, King Mackerel, sail fish, albacore, spanish and blues.
 - c. Bottom fishing on numerous wrecks many of which were World War II casualties. The closest is 25 miles offshore. Red snapper, etc.
 2. Trolling on shore particularly around Cape Shoals and rock jetty for blue fish and spanish mackerel.
 3. Bottom fishing in the Bight for flounder, spots, grey and speckled trout, sea trout mullet.
 4. Fall surf fishing for blues, flounder, grey and speckled trout, sea trout mullet.
 5. Flounder gigging in the shallow waters of the Bight.
 6. Gathering clams, scallops and occasionally oysters.
 7. Snorkling or scuba diving around the rock jetty or on the WW II U Boats sunk in relatively shallow waters.
 8. Shell collecting - unmatched.
 9. Observing variety of marine and land wildlife. Such as: sea turtles, sea otters, wild ponies cattle and sheep on Shackleford, ducks and geese, gant, porposes, terns, gulls, pipers, egrets, coots, etc.
- e. Lack of pollution and discoloration from rivers and streams such as Cape Fear surrounding Bold's Head.
- f. Protected accesibility to mainland.
1. Barden's Cut
 - a. 4 miles to Harkers Island from this lot itself through protected waters of cut and shallow waters of Core Sound.
 - b. 8 miles to Beauford and Intercoastal waterway down Back Sound.
 2. 8 miles run down the ocean side of Shackleford Banks through waters protected by Cape Lookout Shoals to Beaufort Inlet and amenities of Beaufort, Morehead and Atlantic Beach.

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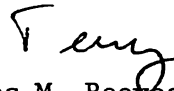
- g. Major highway connection from mainland to Eastern and Piedmont section of the state.

The most important aspect of the region is that intangible quality of the area that can only be experienced.

It has to do with the isolation, the variety of wildlife and marine life, the wind and water, the lore of an unspoiled area, the satisfaction of fending for oneself, the fact that your efforts focus on the basics of life, the thrill of panorama of ocean and dunes broken by the light-house, a few houses and boats.

I feel the more comparisons with other areas the more effective this will be.

Yours very truly,



Charles M. Reeves, III
Senior Vice President

CMR/d1