



Annexation Area in an expeditious manner.

Once an annexation ordinance which includes the Annexation Area becomes effective and time for appellate review has expired, at Progress' or Power Agency option and within thirty (30) days of written request therefor by Progress or Power Agency, Southport, at its sole cost and expense, will cause a proposed recombination map, plat or instrument of combination to be prepared which complies with all requirements for approval and recording in Brunswick County, North Carolina in order to recombine the Annexation Area with the tract or parcel of which the Annexation Area is currently a part so that the Annexation Area shall no longer be a separate tract or parcel but shall once again be a part of the tract or parcel of which the Annexation Area is currently a part. Southport hereby agrees to submit said recombination map or instrument of combination to Progress and Power Agency for their approval and execution. Upon approval and execution of such recombination map or instrument of combination by Progress and Power Agency, such recombination map or instrument of combination shall be recorded in the Brunswick County Registry at Southport's sole cost and expense.

Southport hereby agrees that only the Annexation Area shall be subject to ad valorem taxes, and that notwithstanding its annexation of the Annexation Area, the Annexation Area shall not be subject to Southport's zoning or land use ordinances or regulations of any kind or type, whether now existing or hereafter adopted, amended or modified.

2. **No Annexation of Additional Property.** In consideration of Progress and Power Agency subdividing the Annexation Area and allowing the Annexation Area to be annexed by Southport, during the term of this Agreement, Southport hereby agrees not to involuntarily annex or make any attempt to annex any other portion of Progress' and Power Agency 's real property located in Brunswick County, North Carolina, identified by the tax parcel numbers listed in Exhibit B attached hereto, or any facilities, equipment, fixtures or any other personal property located thereon, whether now owned or hereafter acquired by Progress and Power Agency or any parent, subsidiary or affiliate of Progress or Power Agency (the "Progress-Power Agency