

After Recording Mail To: Development Services
 Town of Apex
 PO Box 250
 Apex, NC 27502

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

ENCROACHMENT AGREEMENT

THIS ENCROACHMENT AGREEMENT, being made this _____ day of _____, 2021, by and between Tri Pointe Homes Holdings, Inc. hereinafter referred to as "Grantee," and the Town of Apex, hereinafter referred to as the "Town."

WHEREAS, the Grantee is the owner of a certain residential lot of land in the County of Wake, State of North Carolina, which is designated as PIN #0742-68-8290 by the Wake County Revenue Department and more particularly described as **Lot 121** of the subdivision known as **Townes at North Salem Phase 2A** as shown on that certain plat recorded in **Book of Maps 2019, Page 00419 (Sheet 4 of 5)**, Wake County Registry (hereinafter the "**Subdivision Plat**"). The residential lot is also known as **1061 Danvers Loop, Apex, NC 27523**. The residential lot described in this paragraph is hereinafter referred to as the "**Residential Lot**."

WHEREAS, the Town is the owner of a **20' Public Storm Drainage Easement** as shown on the **Subdivision Plat** hereinafter referred to as the "**Public Storm Drainage Easement**."

WHEREAS, Grantee wishes to install certain improvements more particularly described as, **12 SF of private sidewalk and 6 SF of a private driveway that will encroach upon portions of the Public Storm Drainage Easement**, which serves the Residential Lot, hereinafter referred to as the "**Encroachment**", all as shown on the attached **Exhibit A**. Grantee desire to make certain agreements and covenants regarding the Encroachment.

WHEREAS, the Town, under the terms and conditions herein set forth, is willing to allow the above-described Encroachment upon the **Public Storm Drainage Easement**.

NOW, THEREFORE, in consideration of these promises and other consideration, the receipt and sufficiency of which is hereby acknowledged, Grantee and the Town hereby covenant and agree:

1. Subject to the terms herein, the Town agrees to allow Grantee, and Grantees' successors and assigns at Grantee sole risk and expense, to encroach into the **Public Storm Drainage Easement** of the Town as shown in the attached **Exhibit A**, and incorporated by reference as though fully set forth herein.

2. The Encroachment shall not be enlarged or increased beyond the Encroachment shown in **Exhibit A** and described in this Encroachment Agreement. Grantee is responsible for any and all expenditures of labor or materials required for the installation, erection, repair, removal, or maintenance of the above-referenced Encroachment and shall be allowed to maintain the Encroachment and to perform all necessary repairs, maintenance, and replacement of the Encroachment as may be necessary from time to time.

3. The Town shall not be held responsible for any and all property damage or injury or death of any person which results from any and all negligence, omission, defect in design, maintenance, or workmanship created by the Encroachment described herein, or any cause of action arising out of the installation, maintenance, removal, destruction, or location of said Encroachment.

4. Grantee agrees to and does hereby hold the Town, its officers, council members and employees harmless from any and all liability arising out of such negligence, omission, defect or other cause of action; that it will defend the Town, its officers, council members and employees, and pay all attorney fees in any and all actions brought as a result of such; and that it will indemnify the Town, its officers, council members, and employees against any and all loss sustained by reason of such negligence, omission, defect, or other cause of action, claim, cost, or expense arising out of the installation, maintenance, removal, or location of said Encroachment; provided that, Grantee shall not be obligated hereunder to indemnify the Town for any negligent acts or omissions of the Town, its contractor(s) (including sub-contractors) and their respective officers, agents and employees.

5. Sections 3 and 4 shall survive the termination of this Encroachment Agreement for any reason.

6. All notices required herein shall be deemed given by depositing such in the United States mail, first class, and addressed to:

To Town: Town Manager
Town of Apex
PO Box 250
Apex, NC 27502

To Grantee: Tri Pointe Homes Holdings, Inc.
Gray Shell
1400 Sunday Drive, Suite 105
Raleigh, NC 27607

7. In the event there is a dispute between the parties concerning the interpretation of the terms of this Encroachment Agreement or their respective rights and obligations hereunder, such dispute or controversy shall be adjudged pursuant to the laws of the State of North Carolina.

8. Grantee agrees to abide by all applicable laws, regulations, statutes and ordinances.

9. This Encroachment Agreement shall not divest the Town of any rights or interest in said **Public Storm Drainage Easement**.

10. If the Town deems, within its sole discretion, that removal of all or apportion of the Encroachment is necessary in order to operate, protect, maintain, modify, replace, add-to or improve its facilities located within the **Public Storm Drainage Easement**, then Grantee shall cause such removal to be made at Grantee's sole expense within 30 days after receipt of notice from the Town and shall be completed in a manner that will allow the Town complete and safe access to the **Public Storm Drainage Easement**. In the event that the Grantee fails to timely remove the Encroachment or in the event of an emergency associated with the condition of the **Public Storm Drainage Easement**, the Town is authorized to remove all or such portion of the Encroachment as the Town determines in its sole discretion to be reasonably necessary, convenient or advisable to operate, protect, maintain, modify, replace, add-to or improve its facilities located within the **Public Storm Drainage Easement**. The Town shall have the sole discretion to determine the existence of an emergency associated with the condition of the **Public Storm Drainage Easement**.

11. Grantee agrees to pay and reimburse the Town the entire expense and cost of removal of the Encroachment in the event that the Town removes the Encroachment as provided in the Paragraph 10 or if Grantee fails to remove the Encroachment within the time limit after receiving notice under Paragraph 9.

12. Grantee, during the life of this Encroachment Agreement, agree to procure or cause to be procured from a responsible insurance carrier or carriers authorized under the laws of the State of North Carolina, insurance in the minimum amounts of \$300,000/\$5000,000/\$300,000 covering full liability for any and all personal injury, property damage or wrongful death caused by the construction, maintenance, location, repair or visual obstruction of said Encroachment. Grantee shall furnish the Town, without demand, each July a certification from the insurance carrier or carriers with whom the insurance herein mentioned is carried, stating that such compensation is covered by such carrier or carriers and showing such insurance to be in full force and effect. Both Grantee and the Town shall be named as insured parties by endorsement of the policy. In the event of any change in the insurance policy, Grantee shall give the Town thirty (30) days notice of such change. Should Grantee fail to pay premiums upon said insurance or to perform any of the Encroachment Agreement, terms or conditions herein contained, the Town, at its option, by written notice may declare this Encroachment Agreement canceled and terminated and all rights acquired hereunder by Grantee shall thereupon terminate.

Future devisees, assignees or transferees taking ownership of the Residential lot, may, if applicable, satisfy the insurance requirements of this paragraph by showing proof of homeowner's insurance with personal liability coverage in a minimum amount of at least \$300,000. Notice of cancellation, non-renewal or material changes in coverage shall be provided to the Town of Apex within 10 days of their receipt of notice from the insurance company.

13. Notwithstanding Section 14 below, Grantee shall be released from its obligation under this Encroachment Agreement assumption of said obligations by an incorporated property or condominium owners association for **Townes At North Salem, Phase 2A**. The Town's consent to such assumption and release shall be required but shall not be withheld, conditioned or delayed if, as reasonably determined by the Town, the party assuming Grantee obligations possesses adequate financial resources and ownership interest, and Grantee delegate and proposed assignee assume and agree to fulfill, in writing, all of Grantee duties set forth in this Encroachment Agreement.

14. The right to encroach is appurtenant to and runs with the land hereinabove referred to and shall forever by subject to the conditions above agreed on between the parties. This Encroachment Agreement is binding upon the heirs, assigns, transferees, and successors in interest of the Grantee and shall, upon execution, be recorded in the Office of the Register of Deeds of Wake County, North Carolina.

In testimony whereof, said Grantee and said Town have here unto set their hands and seals, the day and year first above written.

GRANTEE

Tri Pointe Homes, Inc.

By: Leslie Graham Shell, IV (SEAL)
Leslie Graham Shell, IV
Division President - Carolinas

NORTH CAROLINA
COUNTY OF Mecklenburg *[County in which acknowledgement taken]*

I, Amber M Egan, a Notary Public of Union County, North Carolina, certify that Leslie Graham Shell, IV., personally appeared before me this day and acknowledged that he is the Division President – Carolinas for TRI Pointe Homes, Inc., a corporation, and that he as Division President – Carolinas being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and official stamp or seal, this 11th day of May, 2021.

Amber M Egan
[Signature of Notary Public]

(Affix Notarial Stamp-Seal)

My Commission Expires: May 2, 2024

AMBER M EGAN NOTARY PUBLIC UNION COUNTY North Carolina My Commission Expires MAY 2, 2024
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TOWN OF APEX

Ralph Clark
Interim Town Manager

(Corporate Seal)

ATTEST:

Donna B. Hosch, MMC, NCCMC
Town Clerk

STATE OF NORTH CAROLINA

COUNTY OF _____ *[county in which acknowledgement taken]*

I, _____, a Notary Public of _____ County, North Carolina, certify that **Donna B. Hosch** personally came before me this day and acknowledged that she is **Town Clerk** of the **Town of Apex, a North Carolina Municipal Corporation**, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its **Interim Town Manager**, sealed with its corporate seal and attested by her as its **Town Clerk**.

Witness my hand and official stamp or seal, this _____ day of _____, 2021.

[Signature of Notary Public]

(Seal)

My Commission Expires: _____