

**DEVELOPMENT AGREEMENT  
INCLUDING GRANT RESTRICTIONS**

**BROADSTONE WALK APARTMENTS**  
Apex, Wake County, North Carolina

This Development Agreement (hereinafter “Agreement”) is made and entered into this the 6<sup>th</sup> day of December, 2022, by and between BROADSTONE WALK, LLC, a North Carolina limited liability company (hereinafter “Developer” or “Owner”) and the Town of Apex, a body corporate and politic located in the State of North Carolina (hereinafter the “Town”). The Developer and the Town may be referred collectively herein as the “Parties” or singularly, as a “Party.” This Agreement will not become effective until all conditions placed upon the Town’s funding are satisfied.

**RECITALS**

**WHEREAS**, the Apex Town Council approved funding a loan to Developer in an amount of \$1,000,000 during its December 15, 2020 meeting, \$500,000 on November 9, 2021 and \$350,000 on January 11, 2022 for a grand total not to exceed \$1,850,000.00 (hereinafter the “Loan”) to partially fund the construction and permanent financing of a residential development which will consist of a 164-unit multifamily affordable housing apartment complex to be located on 950 South Hughes St., Apex, North Carolina to be known as Broadstone Walk Apartments (hereinafter the “Project”) located on that certain real property described in **Exhibit A**, attached hereto and incorporated herein by reference (the “Real Property”). The Loan commitment was issued by the Town on July 19, 2022 and is being funded by the Town’s general fund; and

**WHEREAS**, the Apex Town Council further approved a grant in the amount of \$165,000 (the “Grant”) from the Town’s general fund to reimburse Borrower for water and sewer capital reimbursement fees to facilitate the construction of the Project; and

**WHEREAS**, upon completion of the Project, the Developer will provide income restricted affordable housing multifamily rental units to income qualifying tenant households of at least i) twenty (20) affordable rental units at or below forty percent (40%) of the Wake County Area Median Income (“AMI”) as defined and determined by the U.S. Department of Housing and Urban Development (“HUD”); ii) forty (40) affordable rental units at or below fifty percent (50%) of the Wake County AMI as defined and determined by HUD; iii) thirty (30) affordable rental units at or below sixty percent (60%) of the Wake County AMI as defined and determined by HUD; iv) seventy-four (74) affordable rental units at or below seventy percent (70%) of the Wake County AMI as defined and determined by HUD. In addition, at least twenty (20) of the units will be reserved for Wake County Permanent Supportive Housing Voucher clients and at least seventeen (17) of the units will be reserved for other County or non-County supportive housing clients, including those eligible under the North Carolina Housing Finance Agency’s Key Program. All income-restricted affordable housing multifamily rental units will be preserved and made affordable during the Period of Affordability, as further defined herein; and

**WHEREAS**, the Parties are entering into this Agreement for the purpose of memorializing the intention, terms and conditions of acceptance of the assistance being given by the Town to the Developer.

**NOW THEREFORE**, in consideration of the mutual promises set forth in this Agreement, the sufficiency of which is hereby acknowledged and agreed by the Parties, the Parties agree to be bound by the following terms and conditions:

**ARTICLE ONE  
RESPONSIBILITIES OF THE DEVELOPER**

1. **General Information.** The Grant and Loan are jointly being provided to Developer and failure of Developer to close the Loan or comply with any requirements related to the Loan will result in a loss of the Grant; it being the intention of the Town that the Grant is being given in supplement to the Loan and not irrespective of the Loan.

2. **Pre-Development, Construction and Development Requirements.**

The Developer will perform or monitor the following tasks and such other tasks as may be necessary to develop the Project, even if not specifically set forth herein. The Developer will:

- A. Purchase, construct and operate the Project on the Real Property pursuant to the plans, designs and specifications submitted to and approved by the Town and such other governmental bodies that may be required to approve the plans, designs and specifications prior to construction and in accordance with the Project Budget, attached hereto as **Exhibit B**.
- B. Provide the Town with a construction schedule with critical path items identified before the first request for funds, a copy of which is attached hereto as **Exhibit C**. In the event that the schedule with critical path items changes, the Developer will immediately notify the Town in writing.
- C. Prepare site plans for the real property as described in **Exhibit A** (the "Real Property"), which is attached hereto and incorporated herein by reference.
- D. If requested, submit a standard Phase I and/or Phase II environmental review or its equivalent showing no unresolved environmental issues other than those reasonably acceptable to the Town. Developer will complete any and all remediation work that may be required by additional environmental testing.
- E. Prepare, advertise and receive bids for construction of the Project.
- F. If requested, and applicable, complete and provide an E-Verify Affidavit to the Town in a form consistent with that certain Affidavit attached hereto as **Exhibit E** and incorporated herein by reference.

- G. If applicable, comply with the Uniform Relocation Act as set forth in 49 CFR, part 24. To the extent temporary relocation or displacement may be required to complete the Project, the Developer will comply with the requirements set forth in 24 CFR § 92.353 regarding temporary relocation and relocation assistance.
- H. Develop and construct and the Project in accordance with the lead-based paint requirements set forth in 24 CFR 35, Subparts B, J, K, M and R, as applicable.
- I. Acquire all necessary approvals and permits from the local jurisdictions, such as, but not limited to, site plan approval, zoning, environmental permits and building permits.
- J. Monitor, manage and construct the Project in accordance with the construction schedule and all applicable building permits and requirements and consistent with the Project Budget, a copy of which Project Budget is attached hereto as **Exhibit B**. The completion date for the Project and issuance of Certificates of Occupancy should be no later than twenty-one (21) months from closing of the Construction Loan.
- K. Process payment requests from contractors, including subcontractors, in a timely manner.
- L. At the request of the Town, Developer will allow reasonable onsite inspections by the Town upon reasonable notice to include monitoring construction and progress of the Project and compliance with the Agreement.

3. **Post-Construction Expectations.**

- A. Upon completion, Developer will provide the Town the address of each unit.
- B. Developer will market and rent the Project units as low-income units in accordance with the terms and conditions of this Agreement, including but not necessarily limited to, those rules governing affordability of the units.
- C. Each year the Town will have the right to review Project unit rents for compliance. The request will include utility allowance information, budget documentation and justification for an increase. The Developer is required to provide tenants at least 30 days' written notice prior to implementing any rent increase.
- D. Developer will maintain complete records of the income qualification of tenants by examining relevant source documents evidencing annual income

for each tenant of the Project and ensuring that income qualifications are consistent with requirements for the Project. Each year, Developer will review rents to ensure compliance with any and all applicable income restrictions whether or not such income restrictions were required by the Town. Developer will notify the Town of any changes to proposed rents within thirty (30) days.

- E. If requested, Developer will submit rent rolls by the 15<sup>th</sup> of each month to the Town.
- F. If requested, Developer will submit a maintenance plan regarding the ongoing maintenance of the Project and the units for the term of the Loan.
- G. Developer will maintain the Project, including the Real Property, improvements and outbuildings, in accordance with local, state and federal Housing Quality Standards as set forth by HUD and in a manner harmonious with the surrounding neighborhoods.
- H. Developer will operate the Project in accordance with any and all requirements and expectations of any other lenders on the Project, including but not necessarily limited to the senior construction and permanent bank lender and the loan from Wake County.
- I. Developer will allow any duly authorized representative of the Town, at all reasonable times and upon reasonable notice, access to and the right to inspect, copy, audit and examine all of the books, records, and other documents relating to the Loan and the fulfillment of this Agreement throughout the Period of Affordability.
- J. The Developer will allow the Town access to any Real Property, grounds, improvements and outbuildings in the Project during regular business hours upon notice and subject to the rights of residential tenants.
- K. At the request of the Town, Developer will allow the Town to conduct onsite inspections of the Project upon reasonable notice and subject to the rights of residential tenants to ensure the Project's remains in compliance with all expectations of the Loan and this Agreement, including but not limited to verification that the Project is being operated in accordance with rent, occupancy and unit mix requirements.

4. **Affordability Requirements.**

- A. Unit Income Restrictions. Upon completion of the Project, the Developer will provide income restricted affordable housing multifamily rental units to income qualifying tenant households of at least i) twenty (20) affordable rental units at or below forty percent (40%) of the Wake County AMI as defined and determined by HUD; ii) forty (40) affordable rental units at or

below fifty percent (50%) of the Wake County AMI as defined and determined by HUD; iii) thirty (30) affordable rental units at or below sixty percent (60%) of the Wake County AMI as defined and determined by HUD; and, iv) seventy-four (74) affordable rental units at or below seventy percent (70%) of the Wake County AMI as defined and determined by HUD. All income-restricted affordable housing multifamily rental units will be preserved and made affordable during the Period of Affordability. In addition, at least twenty (20) of the units will be reserved for Wake County Permanent Supportive Housing Voucher clients and at least seventeen (17) of the units will be reserved for other County or non-County supportive housing clients, including those eligible under the North Carolina Housing Finance Agency's Key Program. All thirty-seven (37) of the units are to be held as soft set-aside units for a period of ninety (90) days during the initial lease up period, and for a period of thirty (30) days upon unit turnover, for the stated supportive housing clients. If the County's staff has not recommended a qualified tenant to lease one of the twenty (20) County Permanent Supportive Housing units during the hold period, then such unit may be leased to someone other than a County Permanent Supportive Housing client. Notwithstanding the foregoing, the Developer acknowledges that in such instance, the next available unit will be subject to the thirty (30) day hold and the County's right to identify a Permanent Supportive Housing client unless all reserved units are occupied at the time of turnover.

- B. Period of Affordability. The "Period of Affordability" is the amount of time that the Developer is required to maintain the rental restrictions set forth in this Agreement. The Period of Affordability will begin upon the issuance of the last Certificate of Occupancy for the Project or from the recordation of the Deed of Trust or Deed Restrictions, whichever event occurs last and will run for a period of thirty (30) years. The Period of Affordability will be evidenced by recording of deed restrictions, use restrictions or other covenants running with the land and will provide for rights of specific performance to the Town. In the event the Period of Affordability is not met, it will be deemed an Event of Default. In the event of foreclosure before the expiration of the Period of Affordability, the Loan must be repaid at foreclosure.

5. **Disbursements of Funds.**

- A. Developer must use all Loan funds, less the ten percent (10%) holdback payable after the last Certificate of Occupancy for the Project is issued, if applicable, before issuance of the last Certificate of Occupancy for the Project and if the Loan funds cannot be used within such timeframe, the Developer will notify the Town in writing within five (5) business days of any occurrence that makes it unlikely that Developer can meet the deadline for the expenditure of Loan funds.

- B. Requests for disbursements may be made in single or multiple requests but the Developer may not request disbursement of Loan funds more than once every thirty (30) calendar days. Supporting documentation (i.e. invoices, etc.) must be submitted with all Request for Disbursements. Any request for funding will be subject to review by the Town prior to disbursement. If any Loan funds are used for proscribed purposes, such expenditure will constitute an Event of Default as defined therein, and the Loan will become immediately due and payable.
- C. In addition to such other obligations of this Agreement, upon expiration of, termination of or a default under this Agreement, including failure to maintain affordability of the Project, the Developer must immediately transfer to the Town any and all unexpended Loan funds and any accounts receivable attributable to the Loan funds.

6. **Other Provisions.**

- A. Loan Documents. The Town may enforce the terms of this Agreement through a Promissory Note, a Deed of Trust, Loan Agreement, UCC Financing Statements, Indemnity Agreement and Deed Restrictions or such other documents that it may deem appropriate to secure its interest in the Project and the Real Property, as well as any other means available by law or equity.
- B. Records and Reports. Developer will keep and maintain or will cause to be maintained at its sole expense and in accordance with generally accepted accounting principles (hereinafter “GAAP”), proper and accurate books, records and accounts reflecting all items of income and expense in connection with the operation of the Project and in connection with any services, materials, equipment or furnishings provided in connection with the development and construction of the improvements and in connection with the operation and use of the Project.
- C. Developer will provide in a timely fashion and upon reasonable advance notice, such financial information in such form as the Town may reasonably request to demonstrate compliance by Developer with any housing restrictions to facilitate annual reporting that the Town requires.
- D. The Developer will allow the Town access to any Real Property, grounds, improvements and outbuildings in the Project during regular business hours upon reasonable advance notice, subject to the rights of any residential tenants.
- E. The Developer agrees to provide all reports as requested by the Town pursuant to this Agreement on an annual basis to the Town. Failure to

provide reports will be considered an event of default under the terms of this Agreement.

- F. Indemnification. The Developer agrees to defend, indemnify and hold harmless the Town from all loss, liability, claims or expenses (including reasonable attorney's fees) arising from bodily injury, including death, to any person or persons or property damage caused in whole or in part by the negligence or misconduct of the Developer, its subcontractors, agents and employees, except to the extent the same are caused by the negligence or willful misconduct of the Town. It is the intent of this Section to require the Developer to indemnify the Town to the fullest extent permitted under North Carolina and/or federal law. Nothing in this Section shall be construed to operate as a waiver of governmental immunity.
- G. Audit. The Developer will have an annual GAAP audit performed by an independent, certified public accountant ("CPA"). The Developer will provide the Town with an audit no later than six (6) months following the end of the Developer's fiscal year. Should the Developer fail to timely submit a qualified audit as determined by the Town, the Developer will be considered to be in default of this Agreement and the Loan.

8. **Insurance Requirements.**

- A. Developer's Insurance. At all times during the term of this Agreement, the Developer will be required to obtain and continuously maintain insurance commonly required for projects of a similar nature against fire, windstorm and such other casualties and contingencies or other hazards to property and improvements at the Project against loss or damage, including but not necessarily limited to:

Builder's Risk Insurance with limits equal to full completion replacement cost. Such insurance will be maintained during the construction of the Project, and will name the Town as a Loss Payee up to the amount of debt owed to the Town but not less than the amount of the Town Loan.

Commercial Property Insurance with limits equal to full replacement cost. Such insurance will replace Builder's Risk Insurance at the time the Project is completed, and will name the Town as a loss payee up to the amount of debt owed to the Town.

Commercial Automobile Liability Insurance with limits of no less than \$1,000,000.00 combined single limit for bodily injury and property damage.

Commercial General Liability Insurance with limits of no less than \$1,000,000.00 each occurrence/\$2,000,000.00 aggregate. This coverage

will include contractual liability covering Developer's indemnification obligations hereunder and will name the Town as an additional insured.

Workers' Compensation Insurance with Coverage A statutory limits for North Carolina, Coverage B Employers' Liability \$1,000,000.00 each accident, disease policy limit, and disease employee.

Developer will provide certificates of insurance issued by a duly authorized agent of the issuer to: Town of Apex, c/o Safety & Risk Manager, PO Box 250, Apex, NC 27502, all such insurance commonly required for projects of similar nature. Such insurance will be written by companies and in forms and amounts reasonably satisfactory to the Town, and the Town will be named as an additional insured. Insurance coverage must be in an amount sufficient to repay the Loan to Town in full if a loss occurs.

- B. Other Insurance. Developer will maintain continuously throughout the term of the Loan such other insurance as may be deemed necessary by the Town for the Project, with respect to the development, construction and operation of the Project. Developer will include all consultants or subcontractors providing project construction services as insureds; or will require any such consultants or subcontractors providing project construction services to obtain and maintain insurance which will meet the requirements set forth herein. Developer will provide certificates of insurance to the Town on an annual basis and at any time a change of insurance coverage or carriers occurs.
  
- C. Town's Insurance Option. At any time during the performance of this Agreement that Developer has not provided insurance coverage as required herein, the Town may provide for itself, for the Developer and for the Developer's subcontractors, any and all of the insurance coverage required pursuant to this Article. If the Town elects to provide such coverage, it will notify the Developer in writing and will provide to the Developer such certificate or certificates of insurance as may be applicable. If the Town elects to provide such coverage, it will be further entitled to increase in the Loan principal payable equal to the cost of providing such coverage to the Developer and its subcontractors plus 8% per annum interest on the increased Loan amount. The Town's failure to provide notice to the Developer or its failure to provide copies of certificates of insurance will have no bearing on its rights to increase the Loan principal as provided herein.

#### **ARTICLE FOUR LOAN REQUIREMENTS**

1. Loan Documents; Security. The Town may enforce the terms of this Agreement through a Promissory Note, a Deed of Trust, Loan Agreement, UCC Financing Statements,

Indemnity Agreement and Deed Restrictions or such other documents that it may deem appropriate to secure its interest in the Project and the Real Property.

2. Appraisal of Project. Developer must submit an appraisal of the fair market value of the Project unimproved on the date of the acquisition and an appraisal of the Project's future value based on the plans and specifications submitted to the Town.

3. Title Insurance. The Developer will submit to the Town an original ALTA title insurance policy in a form satisfactory to the Town insuring the validity and priority of its lien in an amount not less than the Loan amount and subject only to permitted exceptions, to be approved by the Town. As to this requirement the Town may agree to receipt of the required policy promptly following the closing or may, should it so elect, require receipt of a binder, updating the commitment to the closing.

4. Additional Commitments.

A. Loan Commitments. Developer must submit a copy of each and every loan commitment that will be used as a source of funding for the Project, together with any and all amendments thereto, certified by the Developer to be true, correct and complete and in full force and effect. The Developer must further notify the Town, in writing and within five (5) business days, of any changes in lending sources from the original application.

B. Equity Commitments. The Developer must submit a copy of any equity commitment, together with any and all amendments thereto, certified by the Developer to be true, correct and complete and in full force and effect, along with a list of all the current members, partners or Board of Directors of the Developer. In the instance that the equity commitment is expired, terminated, replaced or otherwise changed in any material way, the Developer must notify the Town, in writing and within five (5) business days.

C. Loan Documents. To the extent that there are any loans or mortgages related to the Project that will remain in force after the Loan closing. Developer must submit a copy of each and every loan document from all other funding sources.

5. Fees. Developer will pay any and all costs incurred in connection with the Loan, including, but not necessarily limited to, all insurance premium, recording costs, survey costs, taxes, appraisal fees and reasonable attorneys' fees actually incurred (of both Town and Developer).

6. Interest Rate. The interest rate on the Loan will be one percent (1%) simple interest.

7. Loan Priority. During the construction and permanent phase, the Town will occupy third lien position behind only the third-party bank lender (for construction and permanent), which will be in first lien position and a loan from Wake County in an amount not to exceed \$3,500,000.

8. Terms of Repayment. Developer will make payments during the term of the Loan of 75% of Net Cash Flow pursuant to the Payment Schedule attached hereto as Schedule I and incorporated herein by reference, with a balloon payment for the remaining monies due pursuant to the Loan including but not necessarily limited to principal, interest and costs payable at the end of the 30-year Loan term. For purposes of this Agreement, Net Cash Flow is determined after payment of all routine operating expenses of the Project and payment of the superior debt on the Project, but does not contemplate the payment of any deferred developer fee, incentive management fees or other fees of the Developer. The 75% Net Cash Flow pursuant to this Section will be calculated and distributed on a pro rata basis (based on the outstanding principal due) between the Town of Apex and the County loan referenced in this Article Four.

Notwithstanding, but subject to the foregoing, it is the intention of the Parties that interest only payments will begin one month after the first construction draw irrespective of the payment schedule and the first payment of principal will begin one (1) month after conversion of the bond financing on the Project from interest only to payment of principal on January 1, 2026, whichever occurs first. Where the Payment Schedule is inconsistent with this intention, the preceding sentence will control.

A 4% late fee shall be charged by the County to Developer for any payment due pursuant to the Loan that is later than the 15th day after such payment is due.

9. No Assignment. Developer will not assign any of its rights or obligations hereunder without the prior written consent of the Town. The transfer or assignment of all or part of the Project (including transfer of a beneficial interest) without the Town's prior written consent will constitute an Event of Default; provided, however, that the Event of Default will not preclude the leasing of the units in the Project in the ordinary course of business. For purposes herein, approval by HUD of a transfer of physical assets where the Loan will be repaid will constitute the approval of the transfer of physical assets by the Town and will not constitute an Event of Default.

## **ARTICLE FIVE GRANT REQUIREMENTS**

In addition to the Loan, the Town is providing a Grant to Borrower for reimbursement of water and sewer capital reimbursement fees in order to facilitate construction of the Project. The Grant proceeds shall be used only for those purposes. In the instance of an Event of Default under this Agreement or any Loan Documents which continues past the expiration of any applicable notice and cure periods, Borrower understands that in addition to all the other liabilities and obligations of Borrower set forth elsewhere in this Agreement or the Loan Documents, the Borrower will also be required to repay the Grant to the Town.

## **ARTICLE SIX RELATIONSHIP OF THE PARTIES**

The Developer will operate as an independent contractor, and the Town will not be responsible for any of the Developer's acts or omissions. Developer will not be treated as an employee with respect to the services performed hereunder for federal or state tax, unemployment

or workers' compensation purposes. Developer agrees that neither federal, state, nor payroll tax of any kind will be withheld or paid by the Town on behalf of the Developer. Developer further agrees that it is fully responsible for the payment of any and all taxes arising from the payment of monies under this Agreement. The Developer will not be treated as an employee with respect to the services performed hereunder for purposes of eligibility for, or participation in, any employee pension, health, or other fringe benefit plan of the Town. The Town will not be liable to the Developer for any expenses paid or incurred by the Developer unless otherwise agreed in writing. Developer will supply, at its sole expense, all equipment, tools, materials and supplies required to provide the contracted services unless otherwise agreed by the Parties in writing. Developer will comply with all federal, state and local laws regarding business permits, certificates and licenses that may be required to carry out the services to be performed pursuant to this Agreement. Developer will ensure that all personnel engaged in work pursuant to this Agreement will be fully qualified and will be authorized under the state and local law to perform the services pursuant to this Agreement.

## **ARTICLE SEVEN NON-DISCRIMINATION**

The Town is a community that respects and actively works to welcome and protect all those who reside, work, do business and visit the Town. The Town has determined that discrimination in the business dealings of its citizens harms the citizens and the Town and impairs the Town's ability to attract new businesses and residents and is not consistent with the Town's purpose, vision, and identity as a Town that embraces and celebrates diversity. During the term of this Agreement and the Period of Affordability, Developer agrees to observe the provisions of Section 3-2 of Chapter 3 of the Town of Apex Code or Ordinances obligating every contractor or subcontractor under a contract or subcontract entered into pursuant to this Project with the Town to refrain from discrimination in employment, subcontracting practices, or the solicitation or hiring of vendors, suppliers, or commercial customers on the basis of age, race, religion, religious belief or non-belief, ethnicity, color, national origin, creed, sex, sexual orientation, gender identity, marital status, natural hair style, genetic information, pregnancy, familial status, disability, veteran or military status, or disabled veteran status. Failure to comply with these provisions will be considered an Event of Default.

## **ARTICLE EIGHT TERMINATION AND DEFAULT**

1. Events of Default. In addition to those events of default that may be set forth in any of the Loan documents, failure to perform any requirement or condition in this Agreement will constitute an "Event of Default." In an Event of Default, the Town will deliver a notice of default by hand delivery or by first class mail to the Developer at the address listed below and the Developer will have thirty (30) days to cure the default (or such longer time as permitted under the Town Loan Agreement), except for an Event of Default caused by the failure to make a payment under the Loan, in which case, cure shall be dictated by the Loan documents. If default is not cured, the Developer will be declared in default and the Town may exercise all of the rights and remedies as set forth in the Promissory Note, the Deed of Trust, any of the other Loan documents or otherwise available in law or equity, including but not necessarily limited to the

Town's right to accelerate the debt and demand immediate repayment of the Loan. Failure on the part of the Developer to close the Town Loan and spend the Town funds within the one (1) year of the date of this Agreement will also constitute an Event of Default. Any cure of any default or Event of Default made or tendered by any investor member of Developer shall be deemed to be a cure by Developer and shall be accepted or rejected on the same basis as if made or tendered by Developer.

2. Termination of Agreement. The Town may terminate this Agreement upon five (5) days written notice to the Developer if the Developer fails to submit acceptable plans for development of the Project to the Town. Before exercising this right of termination, the Town will review any plans the Developer has submitted and will recommend modifications that will be required for Town approval. If the Developer fails or refuses to agree to Town's recommended modifications, the Town may exercise its right to demand repayment within thirty (30) days of all Town funds paid to the Developer for the Project and/or the Town may terminate this Agreement and refuse to provide funding.

3. Governing Law; Venue. This Agreement constitutes a legally enforceable contract and shall be governed by and construed in accordance with the laws of the State of North Carolina. Developer agrees that it shall submit to the jurisdiction of the courts of Wake County, North Carolina and such courts shall have exclusive jurisdiction of any disputes pursuant to this Agreement or the Loan documents.

4. Assignment. This Agreement may not be assigned by Developer without the express written consent of Town, which may be granted or withheld in Town's sole discretion.

5. Amendment. This Agreement may not be amended except as agreed by the Parties in writing.

6. Successors and Assigns. This Agreement will be binding upon any of Developers successors or assigns subject to the limitations on assignment.

7. Notice. All notices required to be given hereunder shall be in writing and shall be deemed served at the earlier of (i) receipt or (ii) seventy-two (72) hours after deposit in registered, certified or first-class United States mail, postage pre-paid and addressed to the parties at the following addresses, or such other addresses as may from time to time be designated by written notice given as herein required:

To Developer:

BROADSTONE WALK, LLC  
113 S. Wilmington Street  
Raleigh, NC 276001

With a copy to:

Deborah McKenney  
Blanco Tackabery & Matamoros, P.A.  
P.O. Box 25008

Winston-Salem, NC 27114-5008 (mailing address)  
404 N. Marshall Street  
Winston-Salem, NC 27101 (overnight address)

and to:

Wincopin Circle LLLP  
c/o Enterprise Community Asset Management, Inc.  
70 Corporate Center  
11000 Broken Land Parkway, Suite 700  
Columbia, Maryland 21044  
Attn: Asset Management

and:

Email: [sshack@enterprisecommunity.com](mailto:sshack@enterprisecommunity.com)  
Attn: General Counsel

To Town:

Town of Apex  
Apex Town Hall  
PO Box 250  
Apex, NC 27502  
Attn: Town Manager

With a copy to:

Town of Apex  
Apex Town Hall  
PO Box 250  
Apex, NC 27502  
Attn: Town Attorney

With a copy to:

Theresa S. Dew  
Stuart Law Firm, PLLC  
1033 Wade Avenue, Suite 202  
Raleigh, NC 27605

Personal delivery to a party or any officer or agent of Developer at its address herein shall constitute receipt by Developer. Personal delivery to the Town shall be made only to the Town Manager and not to other officers, agents or employees unless hereafter so designated in writing by the Town. Rejection or other refusal to accept or inability to deliver because of changed address of

which no notice has been received shall also constitute receipt. No notice of change of address shall be effective until the date of receipt thereof.

**ARTICLE NINE  
IRAN DIVESTMENT ACT**

By executing this Development Agreement, Developer certifies that it is not on the State Treasurer's Iran Divestment Act ("IDA") list and will not use subcontractors on the IDA list.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement under seal as of the date written.

DEVELOPER/BORROWER:  
BROADSTONE WALK, LLC

By: Broadstone Walk Development, Inc.  
Its Managing Member

By: \_\_\_\_\_  
Yolanda Winstead, President  
Date: \_\_\_\_\_  
EIN: \_\_\_\_\_

TOWN OF APEX:

By: \_\_\_\_\_  
Name: Catherine H. Crosby  
Title: Town Manager  
Date: \_\_\_\_\_

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
D. Shawn Purvis, Deputy Town Manager  
Interim Finance Director

Schedule of Exhibits:

- Exhibit A – Legal Description
- Exhibit B – Project Budget
- Exhibit C – Construction Schedule
- Exhibit D – Payment Schedule
- Exhibit E – E-Verify Affidavit

**EXHIBIT A**  
**LEGAL DESCRIPTION**  
**(950 South Hughes Street, Apex, North Carolina, Wake County)**

All those certain lots or parcels of land lying and being in the Town of Apex, Wake County, North Carolina and more particularly described as follows:

BEING all of New Lot 1, containing 14.1089 acres, as shown on a plat entitled “Recombination Plat Property of Broadstone Walk” and recorded in Book of Maps 2021, Page 2224, Wake County Registry.

**EXHIBIT B  
PROJECT BUDGET**

**EXHIBIT C**  
**CONSTRUCTION SCHEDULE**

**EXHIBIT D  
PAYMENT SCHEDULE**

**EXHIBIT E**  
**E-VERIFY AFFIDAVIT**