

**FIRST ADDENDUM TO THE**  
**MASTER AGREEMENT FOR THE DEVELOPMENT OF AFFORDABLE HOUSING**  
**(1095 MAY RIVER ROAD; BLUFFTON, SOUTH CAROLINA)**

THIS FIRST ADDENDUM TO THE MASTER AGREEMENT FOR THE DEVELOPMENT OF AFFORDABLE HOUSING (“*Addendum*”) is entered into as of this 8<sup>th</sup> day of August, 2023, by and between WORKFORCE STATE OF MIND, LLC, a South Carolina limited liability company (the “*Developer*”) and THE TOWN OF BLUFFTON, a South Carolina municipal corporation (the “*Town*”). The Developer and the Town may from time to time be referred to individually as a “*Party*” and collectively as the “*Parties*.”

WITNESSETH

WHEREAS, on August 5, 2022, the Parties entered into that certain “*Master Agreement for the Development of Affordable Housing*” (the “*Agreement*”) regarding the development and use of certain real property owned by the Town and located at 1095 May River Road in Bluffton, South Carolina, with such real property more particularly described in the Agreement; and,

WHEREAS, Section 4.5(d) of the Agreement states that the Developer shall include within the Project Budget an appropriate amount of Common Area Reserve Funding for the future maintenance of all common areas, amenities and road rights-of-way to be constructed as part of the Project, or, in the alternative, that the Parties may agree for the Developer to dedicate and convey all of the Project’s Common Areas to the Town; and,

WHEREAS, the Town recognizes that accepting title to the Common Areas will help facilitate the development and construction of Affordable Housing within Beaufort County; and,

WHEREAS, the Town has agreed to accept a donation of the Common Areas once completed upon the Developer satisfying all terms and conditions set forth within this Addendum.

NOW, THEREFORE, in consideration of the mutual covenants and promises made by and between the parties hereto made, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. **Incorporation of Recitals.** The above recitals are hereby incorporated herein as if restated fully and are hereby made an integral part hereof so that their contents are a substantive part of this Addendum.

Section 2. **Capitalized Terms.** Any and all capitalized terms used but not otherwise defined in this Addendum shall have the meanings ascribed to such terms in the Agreement.

Section 3. **Acceptance of Common Areas.** Upon the Completion of the Common Areas, the Developer shall convey the Common Areas to the Town by warranty deed in recordable form and subject only to those exceptions identified in Section 5.3 of the Agreement. Upon acceptance of title to the Common Areas, the Town agrees to maintain the same in a similar condition to analogous Town-owned property. As a prerequisite to the Town’s acceptance of the Common Area, the Town may require that the Developer provide the Town with a bond in an amount equal to the construction costs of the Common Areas, with surety and conditions satisfactory to the Town, as a warranty for a period of two (2) years. The warranty shall pertain to the design and construction of the rights-of-way,

stormwater systems, and any other Improvements located within the Common Areas, in accordance with the Town's standards and to insure their satisfactory performance during this warranty period. The warranty period shall commence once the Town accepts delivery of title to the Common Areas. The Developer shall not be responsible for repairing damage done to the Common Areas subsequent to the Town's acceptance thereof, unless such damage is the result of design or construction failure or is caused by the actions of the Developer or the Consultants. Nothing within the foregoing section is intended to nor shall be deemed to obligate the Town to maintain, improve, or otherwise perform public services on privately-owned property, whether such property is part of the Project or not.

Section 4. **Affordability Covenants.** The Affordability Covenants originally attached to the Agreement as Exhibit D shall be replaced, in full, with the Affordability Covenants attached hereto as **REVISED EXHIBIT "D"** (the "*Revised Affordability Covenants*"). All references to the Affordability Covenants in the Agreement and the exhibits thereto shall mean and refer to the Revised Affordability Covenants.

Section 5. **Schedule of Performance.** The Schedule of Performance originally attached to the Agreement as Exhibit E shall be replaced, in full, with the revised Schedule of Performance attached hereto as **REVISED EXHIBIT "E"** (the "*Revised Schedule of Performance*"). All references to the Schedule of Performance in the Agreement and the exhibits thereto shall mean and refer to the Revised Schedule of Performance.

Section 6. **Ratification and Confirmation of All Other Terms of the Agreement.** In all others respects, the said Agreement, to the extent not inconsistent with the terms of this Addendum, remains unchanged. For the convenience of the parties hereto, this Addendum may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

*{Remainder of Page Intentionally Omitted. Signature Page(s) and Exhibit(s) to Follow.}*

IN WITNESS WHEREOF, Developer and Town have hereunder affixed their signatures to this Addendum, all as of the 8<sup>th</sup> day of August, 2023.

**DEVELOPER**

WORKFORCE STATE OF MIND, LLC, a South Carolina limited liability company

By: 

Name: WILLIAM HERBKERSMAN

Its: PRESIDENT

**TOWN**

TOWN OF BLUFFTON, a South Carolina municipal corporation

By: 

Name: STEPHEN STEESE

Its: TOWN MANAGER