

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this “**Memorandum**”) is made this ___ day of September, 2023, (the “**Effective Date**”) by and between **CONE MILL DEVELOPMENT VENTURES, LLC**, a North Carolina limited liability company (“**Buyer**”), the **TOWN OF PINEVILLE**, a North Carolina municipal corporation (“**Town**”), and **PINEVILLE REDEVELOPMENT AND INVESTMENT, INC.**, a North Carolina nonprofit corporation (“**Pineville Redevelopment**”, and collectively with the Town, “**Seller**”, and together with Buyer, the “**Parties**” and each a “**Party**”).

RECITALS:

WHEREAS, Town owns certain parcels of real property located at 200 Dover Street and 306 Dover Street in Pineville, North Carolina, having Mecklenburg County Parcel IDs of 221-051-11 and 221-051-17, respectively, as more particularly described on **Exhibit A** attached hereto and incorporated herein (the “**Town Property**”);

WHEREAS, Pineville Redevelopment owns certain real property located at 436 Cone Avenue in Pineville, North Carolina, having Mecklenburg County Parcel ID of 221-051-07, as more particularly described on **Exhibit A-1** attached hereto and incorporated herein (the “**Pineville Redevelopment Property**”, and collectively with the Town Property, the “**Property**”);

WHEREAS, Buyer desires to purchase the Property from Seller upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties have a mutual understanding that they may enter into an agreement relating to Buyer’s purchase of the Property from Seller, pursuant to the following non-binding general terms, which, if approved by Seller, may be further detailed in a purchase and sale agreement:

1. **Purchase and Sale.** Buyer proposes the following terms regarding its proposed purchase of the Property, which, if ultimately agreed to by Seller, may be memorialized in a formal purchase and sale agreement (the “**Purchase Agreement**”) to be prepared, negotiated and executed by the parties as soon as reasonably practicable after the Town receives all applicable approvals to sell the Property to Buyer:
 - a. The Purchase Price for the Property shall be Four Million and No/100 Dollars (\$4,000,000.00).
 - b. Within three (3) business days after execution of the Purchase Agreement, Buyer shall deposit the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) (“**Earnest Money**”) with Stewart Title Guaranty Company (“**Escrow Agent**”). Upon receipt of the Earnest Money, Escrow Agent shall promptly release a portion of the Earnest Money in the amount of Twenty Thousand and No/100 Dollars (\$20,000.00) to Seller, which shall be non-refundable to Buyer except in the event of default by Seller or as otherwise set forth in the Purchase Agreement.
 - c. Buyer shall have a Due Diligence / Approval Period of ninety (90) days after execution of the Purchase Agreement (the “**Approval Period**”) within which Buyer may enter the Property and perform standard non-invasive due diligence activities. Upon expiration of the Approval Period, the Earnest Money shall become non-refundable to Buyer except in the event of default by Seller or as otherwise set forth in the Purchase Agreement. In addition to the Approval Period, after execution of this Memorandum (and prior to the execution of the Purchase Agreement), Seller will allow Buyer to enter the Property and perform standard non-invasive due diligence activities. Prior to entry, Buyer or its agents, consultants or representatives will obtain and maintain liability insurance with a minimum combined coverage limit of at least Two Million and No/100 Dollars (\$2,000,000.00). Buyer shall repair all damage to the Property caused by Buyer or its agents or contractors during such inspections. Buyer agrees to indemnify and hold Seller harmless from all liabilities, claims, damages, liens, costs and expenses (including attorneys’ fees) in connection

with its inspection of the Property. Buyer's indemnity and covenants set forth herein shall survive the termination of the Purchase Agreement and/or this Memorandum.

- d. Upon approval by Seller, Buyer intends to develop the Property in substantial accordance with the site plan attached hereto as **Exhibit B** (the "Site Plan").
- e. Buyer understands that this Memorandum is non-binding and Seller is not obligated to sell the Property to Buyer nor enter into the Purchase Agreement with Buyer, and that Buyer is required, pursuant to North Carolina Statute, to obtain approval for the sale and purchase of the Property from the Town of Pineville Town Council, and that such sale must comply with all laws, rules, and ordinances. Seller does not represent or warrant to Buyer that it will sell the Property to Buyer. Notwithstanding the foregoing, as soon as reasonably practicable upon execution of this Memorandum, Seller agrees to pursue approval from the Town of Pineville regarding the sale of the Property to Buyer and approval of the Site Plan.
- f. As part of the process for obtaining approval from the Town of Pineville, Buyer will be required to submit the Site Plan and related information regarding Buyer's development of the Property, to the Town, including, but not limited to the Town of Pineville Planning and Zoning and Town of Pineville Town Council during its work session(s) and public hearing(s). Some of the information that may be required of Buyer to be approved by Seller may include, but not be limited to the following:
 - i. Material specifications for all buildings, including a minimum and maximum heated square footage.
 - ii. Elevations for all buildings.
 - iii. Specific amount of front and rear load townhomes, in a quantity not to exceed certain amounts imposed by Seller.
 - iv. Specific allowance to convert front-load townhomes into rear-load townhomes.
 - v. Distance that building eaves encroach into setbacks.
 - vi. Distance between the garage doors of the front-load townhomes to the sidewalk.
 - vii. A site plan for all of the proposed development on the Property showing various information such as setbacks, parking pad dimensions, lot sizes, landscaping (showing parking lot screening, existing and proposed trees, park features, etc.), proposed trash and/or dumpster specifications and service, mailbox locations, dimensions of roads, specifications of streetlights, etc.
 - viii. Specific parking information for the Property, including any proposed gates and fees charged.
 - ix. Existing mill buildings to remain, as may be directed by Seller.
 - x. Plan showing the proposed widening of Dover Street and proposed sidewalk widths and locations.
 - xi. Proposed use of all public and/or private roads/alleys/areas, including for any food truck court and electrical connections.
 - xii. Stormwater concept, including existing and proposed ponds and maintenance proposal.
 - xiii. Proposed signage plans.
 - xiv. Proposed new street names.

2. Miscellaneous. This Memorandum contains the entire agreement of Buyer and Seller with respect to the subject matter hereof and may not be altered except by a written amendment executed by Buyer and Seller. Neither Party shall assign its rights or obligations under this Memorandum without the prior written consent of the other Party. DocuSign or PDF signatures shall be deemed to have the same effect as original signatures. This Memorandum shall be construed by and governed in accordance with the laws of the State of North Carolina.

[Signature Page Follows]

IN WITNESS WHEREOF, Buyer and Seller have each duly executed this Memorandum as of the Effective Date.

Buyer:

CONE MILL DEVELOPMENT VENTURES, LLC

By: Jon Visconti
Name: Jonathan Visconti
Title: Manager

Seller:

TOWN OF PINEVILLE

By: _____
Name: _____
Title: _____

PINEVILLE REDEVELOPMENT AND INVESTMENT, INC.

By: _____
Name: _____
Title: _____

EXHIBIT A

Commencing at a point in the centerline of Norfolk Southern railroad, Station 555+00, said point having N.C.S.P.C. coordinates of N:491,249.20 E:1,433,597.49 (CF:0.99985432); thence with a line normal to said railroad with a bearing of S 23°38'26" E and a distance of 65.00' to a point; thence parallel to said railroad with a curve to the left having a radius of 2929.76' and an arc length of 70.50', and being chorded by a bearing of N 65°40'12" E and a distance of 70.50' to a set rebar, being the point of BEGINNING said point having N.C.S.P.C. coordinates of N:491,218.71 E:1,433,687.78, thence parallel to said railroad with a curve to the left having a radius of 2929.76' and an arc length of 612.80', and being chorded by a bearing of N 58°59'19" E and a distance of 611.68' to a point on the southwesterly margin of the right-of-way of N.C. Highway 51 (a.k.a. Main Street), said point having N.C.S.P.C. coordinates of N:491,533.81 E:1,434,211.95; thence following the margin of said right-of-way with a curve to the left having a radius of 170.10' and an arc length of 43.69', and being chorded by a bearing of S 63°08'53" E and a distance of 43.57' to a point on the northwesterly margin of the right-of-way of Dover Street; thence following the margin of said right-of-way four (4) calls: (1) with a bearing of S 44°57'21" W and a distance of 159.93' to a point; (2) with a bearing of S 44°57'21" W and a distance of 100.00' to a point; (3) with a bearing of S 44°57'41" W and a distance of 50.00' to a point; (4) with a bearing of S 45°21'39" W and a distance of 212.80' to an existing rebar, being the easterlymost corner of the property of the Town of Pineville (now or formerly) recorded as Tract 7 on Map Book 64, Page 414; thence following the common line thereof two (2) calls: (1) with a bearing of N 53°27'21" W and a distance of 129.10' to an existing rebar; (2) with a bearing of S 87°44'58" W and a distance of 89.07' to a set rebar; being the point of BEGINNING, having an area of 1.159 acres, more or less, as shown on a survey by Carolina Surveyors, Inc.

AND

BEGINNING at an iron pin in the northerly right of way of Dover Street, a common corner of this tract and the tract conveyed to R.E. Smith (now or formerly) by deeds recorded in book 4604, at page 623 and book 3547, at page 500 in the Mecklenburg County, North Carolina Public Registry, and running thence with the northern margin of Dover Street S. 50-34-13 W. 157.77 feet to an iron pin; thence N. 28-02-17 W. 242.08 feet to an existing iron pin in the southerly right of way of the Southern Railway Co. ; thence, along the arc of a curve to the left, subtended by a chord bearing N. 72-25-08 E., and having a radius of 2,929.13 feet, an arc distance of 79.15 feet to an iron pin; thence, S. 11-41-30 E. 77.32 feet to an iron pin; thence, S. 44-44-08 E. 23.43 feet to an iron pin; thence, along the arc of a curve to the left, subtended by a chord bearing N. 69-38-28 E. 44.64 feet, and having a radius of 3,113.93 feet, an arc distance of 44.64 feet to the point and place of beginning and containing approximately .424 acres, all as shown on a survey by Keith R. Meon, N.C.R.L.S., dated January 22, 1990.

Being in all respects the same property conveyed to Michael Dean Eury and wife, Tammy Clark Eury, borrowers herein, by Robert E. Smith and wife, Molly J. Smith by deed dated 1st day of July, 1998, recorded in said Registry contemporaneously herewith.

EXHIBIT A-1

Being all of Tract 1 as shown on plat recorded in Map Book 64, Page 414, and being more particularly described as follows:

Beginning at an existing rebar on the northwesterly margin of the right-of-way of Hill Street, said rebar also being the common corner of the property of James K Polk Lodge #579 AF AM, Trustees (now or formerly) recorded in Deed Book 6528, Page 27; thence following the common line of said property two (2) calls: (1) with a bearing of N 61°46'34" W and a distance of 439.35' to an existing rebar; (2) with a bearing of N 42°13'38" W and a distance of 325.14' to a point in the centerline of railroad (passing a set rebar at 305.14'), said point being the common corner of the property of the Town of Pineville (now or formerly) recorded in Deed Book 21883 Page 564; thence following the common line of the property of the Town of Pineville two (2) calls: (1) with the centerline of railroad a bearing of N 69°36'50" E and a distance of 442.72' to a point; (2) with a bearing of N 45°39'15" W and a distance of 218.93' to an existing rebar, said rebar being the common corner of the property of the Town of Pineville (now or formerly) recorded in Deed Book 8778, Page 443 and shown as Tract 2 on Map Book 64, Page 414; thence following the common line of the Town of Pineville with a bearing of N 69°40'05" E and a distance of 1339.19' to a set rebar, said rebar also being the common corner of the property of Pineville Cone Mill Project LLC (now or formerly) recorded in Deed Book 32385, Page 48 and shown as Tract 6 on Map Book 64, Page 414; thence following the common line of Pineville Cone Mill Project LLC four (4) calls: (1) with a bearing of S 57°20'01" E and a distance of 23.43' to as set rebar; (2) with a bearing of S 20°19'55" E and a distance of 177.99' to a point in the centerline of railroad; (3) with the centerline of railroad a bearing of N 69°36'50" E and a distance of 72.00' to a point; (4) with the centerline of railroad with an Arc to the Left having a Radius of 2864.76' and a Length of 87.12' and being Chorded by a bearing of N 68°44'33" E and a distance of 87.12' to a point, said point being the common corner of the property of the Town of Pineville (now or formerly) recorded in Deed Book 2738 Page 161, Deed Book 12744 Page 857, & Deed Book 12744 Page 861 and shown as Tract 7 on Map Book 64, Page 414; thence following the common line of the Town of Pineville seven (7) calls: (1) with a bearing of S 55°19'49" E and a distance of 77.32' to a point; (2) with an Arc to the Right having a Radius of 2929.76' and a Length of 17.79' and being Chorded by a bearing of S 67°13'03" W and a distance of 17.79' to a point; (3) with a bearing of S 31°52'32" E and a distance of 54.38' to a point; (4) with a bearing of S 58°07'28" W and a distance of 35.00' to a point; (5) with a bearing of S 31°52'32" E and a distance of 40.00' to a point; (6) with a bearing of N 58°07'28" E and a distance of 35.00' to a point; (7) with a bearing of S 31°52'32" E and a distance of 139.51' to a point on the northwesterly margin of the right-of-way of Dover Street; thence following the margin of said right-of-way thirteen (13) calls: (1) with a bearing of S 44°45'20" W and a distance of 241.37' to a point; (2) with a bearing of S 43°40'20" W and a distance of 137.19' to a point; (3) with a bearing of S 41°49'58" W and a distance of 62.54' to a point; (4) with a bearing of S 35°51'19" W and a distance of 35.12' to a point; (5) with an Arc to the Right having a Radius of 30.00' and a Length of 45.06' and being Chorded by a bearing of S 78°53'19" W and a distance of 40.95' to a point; (6) with a bearing of N 58°04'41" W and a distance of 66.75' to a point; (7) with an Arc to the Left having a Radius of 90.00' and a Length of 136.59' and being Chorded by a bearing of S 78°26'35" W and a distance of 123.86' to a point; (8) with a bearing of S 34°57'07" W and a distance of 196.60' to a point; (9) with a bearing of S 38°01'40" W and a distance of 65.11' to a point; (10) with a bearing of S 32°03'27" W and a distance of 55.37' to a point; (11) with a bearing of S 19°36'27" W and a distance of 90.79' to a point; (12) with a bearing of S 26°18'27" W and a distance of 90.84' to a point; (13) with a bearing of S 37°06'27" W and a distance of 37.07' to an existing pipe, said pipe also being the common corner of Lot 1 in Block 7 as shown on Map Book 8, Page 87; thence following the common lines of Lot 1 with a bearing of N 51°43'36" W and a distance of 149.79' to a point; thence following the common lines of Lots 1 & 2 with a bearing of S 40°59'31" W and a distance of 149.82' to a point on the common line of Lot 5; thence following the common lines of Lots 5 & 7 with a bearing of N 51°39'43" W and a distance of 190.88' (passing an existing pipe at 37.48') to a to an existing rebar on the northwesterly margin of the right-of-way of Hill Street; thence following the margin of said right-of-way with a bearing of S 39°52'54" W and a distance of 192.66' to an existing rebar; being the point of BEGINNING and containing 27.561 Acres, more or less, as shown on a survey by Carolina Surveyors, Inc.

EXHIBIT B



DEVELOPMENT SUMMARY

PROPOSED RESIDENTIAL: +/- 162 DU
 TOWNHOMES: 41 DU
 FRONT LOAD: 41 DU
 REAR LOAD: 12 DU

PROPOSED RESIDENTIAL PARKING: +/- 63 SPACES
 RESIDENTIAL GARAGE: 3.5 SPACES / UNIT
 30 SPACES
 DRIVEWAY/PARKING PAD PARKING (2 SPACES / DU): 54 SPACES

OFF-STREET PARKING: 5 SPACES
 DEDICATED ON-STREET PARKING FOR RESIDENTS AND GUESTS: 9 SPACES

PROPOSED COMMERCIAL: +/- 41,000 SF
 BLDG 1: 4,900 SF
 BLDG 2: SEMI-PERMANENT
 BLDG 3: 25,000 SF (2 FLOORS)
 BLDG 4: 10,000 SF (2 FLOORS)
 BLDG 5: 1,400 SF

KEY:

- 1 EXISTING COMMERCIAL BLDG
- 2 SEMI-PERMANENT
- 3 COMMERCIAL BLDG
- 4 COMMERCIAL BLDG
- 5 KIOSK RETAIL
- 6 PARKING
- 7 RETAIL PLAZA / OUTDOOR DINING
- 8 TOWN GREEN
- 9 PUBLIC PARK
- 10 REAR LOAD TOWNHOMES
- 11 FRONT LOAD TOWNHOMES
- 12 RESIDENTIAL PARK
- 13 POCKET PARK
- 14 STORMWATER MANAGEMENT
- 15 FUTURE CONNECTION

CONE MILL SITE | CONCEPT PLAN
 #23008 | 08.14.2023 | Prepared for GVEST

