



MECKLENBURG COUNTY
LAND USE & ENVIRONMENTAL SERVICES AGENCY
ATTACHMENT TO LAND DEVELOPMENT BOND

This Attachment sets forth essential terms to the Land Development Bond from Principal/ Developer:
DHG RP LLC to Mecklenburg County Land Use & Environmental Services
Agency dated: December 5, 2017.

PROJECT NAME: Huntley Glen Phase 1, Map 3 -EPM # 380597

1. AUTHORITY FOR LAND DEVELOPMENT BOND:

TOWN OF Pineville

☒ **Subdivision**

OR

☐ **Commercial**

☒ **EROSION CONTROL ORDINANCE**

☒ **FLOODPLAIN ORDINANCE**

☐ **LAND DEVELOPMENT CODE**

☐ **NCDOT/MECKLENBURG DRIVEWAY PERMIT**

☐ **PLANNING ORDINANCE**

☒ **POST-CONSTRUCTION ORDINANCE**

☐ **STORM DRAINAGE REQUIREMENTS**

☒ **SUBDIVISION ORDINANCE**

☐ **SWIM ORDINANCE**

☐ **UNIFIED DEVELOPMENT ORDINANCE**

☐ **WATERSHED ORDINANCE**

☒ **ZONING ORDINANCE**

☐ **OTHER:** <Other restrictions or compliance required >

2. SECURITY FOR LAND DEVELOPMENT BOND: AMOUNT: \$961,000.00

☐ **CHECK #** <Check Number > (Made out to Mecklenburg County LUESA) **CASH** <Money Order Number>

☐ **LETTER OF CREDIT** issued by: <Financial Institution Name > **LC#** <Letter of Credit #>

☒ **SURETY** issued by Lexon Insurance Company Surety #1153573

Deliver or Mail Address: Mecklenburg County LUESA, 2145 Suttle Avenue, Charlotte NC 28208
Attn: Land Development Bond Administrator

3. **PURPOSE OF LAND DEVELOPMENT BOND** (choose one of the following):

- ☒ **To guarantee installation of improvements for the Project as specified in the approved plans for the Project and in accordance with the applicable ordinance until Mecklenburg County and governing jurisdiction's final approval.**

1. Construction Infrastructure -3 years
2. BMP Infrastructure (prior to as-built) – 3 years
3. BMP Infrastructure (prior to as-built for release of CO only) – 6 months

- ☐ **To guarantee maintenance and repair of improvements for the Project as specified in the approved plans for the Project and in accordance with the applicable ordinance until Mecklenburg County and governing jurisdiction's final approval.**

1. Subdivision Roadway Maintenance (80%) - 2 years from the date Town Board accepts streets.
Road Way Maintenance process and packet must be submitted to the applicable Town 60 days or greater prior to the bond expiration date.
2. Subdivision Roadway Maintenance (25%) - 1 year from the date that lot build-out is complete for streets accepted by Town Board
3. BMP Maintenance – 1 year from the as-built approval date.
4. BMP Maintenance for Post Construction - 2 years from the as-built approval date.

GENERAL INFORMATION:

- The Mecklenburg County approved Letter of Credit wording must be used. All other will be reviewed by Mecklenburg County Attorney and all expenses incurred will be required by the applicant, payable to Mecklenburg County Land LUESA prior to acceptance of the bond.
- Bond Fee Schedule: **Fees are subject to change.**
 - \$370 New Land Development Bond Fee
 - \$370 Land Development Bond Renewal Fees - Payable every year after the 4th year
 - \$370 Land Development Bond Reduction
 - \$370 Replacement of Security of Land Development Bond
 - \$370 Release of a Land Development Bond Older than 4 years

Principal/Developer: DHG RP LLC

By:  (SEAL)

Print: Eric Wood

Title: Vice - President



MECKLENBURG COUNTY
LAND USE & ENVIRONMENTAL SERVICES AGENCY
LAND DEVELOPMENT BOND
FOR USE BY SURETY

Date of Issue: **December 5, 2017**

Bond Number: **1153573**

Obligee: Mecklenburg County Land Use & Environmental Services Agency
2145 Suttle Avenue, Charlotte, NC 28208
Attn: Bond Administrator

<u>DHG RP LLC:</u>	<u>Lexon Insurance Company:</u>
<u>236 Raceway Drive, Suite 7:</u>	<u>10002 Shelbyville Road, Suite 100:</u>
<u>Mooresville, NC 28117:</u>	<u>Louisville, KY 40223:</u>
<u>704-208-4251:</u>	<u>(615) 553-9500:</u>

Project: **Huntley Glen Phase 1, Map 3 - EPM #380597.**

DHG RP LLC., as Principal and Developer, and Lexon Insurance Company, as Surety, are hereby firmly bound unto Mecklenburg County Land Use & Environmental Services Agency in the sum of (\$961,000.00) Nine Hundred Sixty-One Thousand and 00/100 dollars for the payment of which the Principal and Surety hereby jointly and severally bind themselves, their respective heirs, administrators, successors and assigns.

This bond is made in accordance with the Ordinance and for the Purpose set forth in the Attachment hereto, which Attachment is incorporated herein by reference. This bond is in an amount determined by Mecklenburg County Land Use & Environmental Services Agency to be sufficient for the Purpose set forth in the Attachment.

Now, therefore, the condition of this bond is such that if the Principal/Developer shall faithfully complete and/or maintain the specified improvements referred to in the Attachment and Mecklenburg County Land Use and Environmental Services Agency has caused an inspection to be made and has authorized in writing the release of this Surety Bond, then this bond shall be null and void and the Bond delivered to the County shall be returned to the Principal/Developer.

The Principal/Developer acknowledges herein that failure to demonstrate reasonable, good faith progress towards completion of the required improvements that are the subject of this bond, or any extension thereof, shall constitute a default. In the event that the Principal/Developer defaults under its obligation to install the improvements referred to herein, Surety agrees that it shall either (a) within fifteen (15) days after the determination of such default take over and complete the improvements referred to herein, or (b) pay to Mecklenburg County, in cash, the actual cost of completion. The cost of completion shall be reimbursement to Mecklenburg County for any and all expenses which may be incurred by Mecklenburg County after the default of the Developer in connection with the completion of the improvements by the Mecklenburg County, including but not limited to construction costs, engineering supervision costs, mobilization costs, and legal fees. Should the Surety not agree to the cost of completion, the same shall be fixed by Mecklenburg County taking bids as provided by law for the public contracts covering similar projects. The Surety shall, regardless of whether it completes the improvements itself or pays Mecklenburg County the actual costs of completion, reimburse Mecklenburg County for all reasonable expenses incurred by Mecklenburg County after default which would not have been incurred had the Principal not defaulted, including but not limited to any legal expenses incurred by Mecklenburg County in the enforcement of this Bond. Surety will make such payment to Mecklenburg County within ten (10) days after the total cost of completing the improvements shall have been determined. The Surety and Principal hereby stipulate and agree that no modifications, conditions, or omissions to the outlined executable actions herein referred to or any extension of time shall in any way affect the obligations of either Surety or Principal on this bond, unless mutually agreed upon in advance of the bond's term completion.

The Principal/Developer shall remain liable to the County for any and all additional costs and expenses incurred by the County in the event the funds from the Surety are insufficient to cover all costs of completion and/or maintenance of the improvements.

WITNESS our hands and seals this, the 5th day of December, 2017.

Principal/Developer: DHG RP LLC

By: [Signature] (SEAL)

Print: Eric Wood

Title: Vice President

Surety: Lexon Insurance Company

By: Theresa Pickerrell (SEAL)

Print: Theresa Pickerrell

Title: Attorney-in-Fact

POWER OF ATTORNEY

LX- 316762

Lexon Insurance Company

KNOW ALL MEN BY THESE PRESENTS, that **LEXON INSURANCE COMPANY**, a Texas Corporation, with its principal office in Louisville, Kentucky, does hereby constitute and appoint: Brook T. Smith, Raymond M. Hundley, Jason D. Cromwell, James H. Martin, Barbara Duncan, Sandra L. Fusinetti, Mark A. Guidry, Jill Kemp, Lynnette Long, Amy Meredith, Deborah Neichter, Theresa Pickerrell, Sheryon Quinn, Beth Frymire, Leigh McCarthy, Michael Dix its true and lawful Attorney(s)-In-Fact to make, execute, seal and deliver for, and on its behalf as surety, any and all bonds, undertakings or other writings obligatory in nature of a bond.

This authority is made under and by the authority of a resolution which was passed by the Board of Directors of **LEXON INSURANCE COMPANY** on the 1st day of July, 2003 as follows:

Resolved, that the President of the Company is hereby authorized to appoint and empower any representative of the Company or other person or persons as Attorney-In-Fact to execute on behalf of the Company any bonds, undertakings, policies, contracts of indemnity or other writings obligatory in nature of a bond not to exceed \$5,000,000.00, Five Million dollars, which the Company might execute through its duly elected officers, and affix the seal of the Company thereto. Any said execution of such documents by an Attorney-In-Fact shall be as binding upon the Company as if they had been duly executed and acknowledged by the regularly elected officers of the Company. Any Attorney-In-Fact, so appointed, may be removed for good cause and the authority so granted may be revoked as specified in the Power of Attorney.

Resolved, that the signature of the President and the seal of the Company may be affixed by facsimile on any power of attorney granted, and the signature of the Assistant Secretary, and the seal of the Company may be affixed by facsimile to any certificate of any such power and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certificate so executed and sealed shall, with respect to any bond of undertaking to which it is attached, continue to be valid and binding on the Company.

IN WITNESS THEREOF, **LEXON INSURANCE COMPANY** has caused this instrument to be signed by its President, and its Corporate Seal to be affixed this 5th day of August, 2015.



LEXON INSURANCE COMPANY

BY

David E. Campbell
President

ACKNOWLEDGEMENT

On this 5th day of August, 2015, before me, personally came David E. Campbell to me known, who be duly sworn, did depose and say that he is the President of **LEXON INSURANCE COMPANY**, the corporation described in and which executed the above instrument; that he executed said instrument on behalf of the corporation by authority of his office under the By-laws of said corporation.



AMY TAYLOR
Notary Public- State of Tennessee
Davidson County
My Commission Expires 07-08-19

BY

Amy Taylor
Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of **LEXON INSURANCE COMPANY**, A Texas Insurance Company, DO HEREBY CERTIFY that the original Power of Attorney of which the forgoing is a true and correct copy, is in full force and effect and has not been revoked and the resolutions as set forth are now in force.

Signed and Seal at Mount Juliet, Tennessee this 5th Day of December 20 17.



BY

Andrew Smith
Assistant Secretary

"WARNING: Any person who knowingly and with intent to defraud any insurance company or other person, files and application for insurance of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties."