

## LOT PURCHASE AGREEMENT

**THIS LOT PURCHASE AGREEMENT** (this “**Agreement**”) is between Greenfield-Serenity, LLC, a North Carolina limited liability company (“**Seller**”), and Garman Homes, LLC, a North Carolina limited liability company (“**Builder**”). As used herein, the term “**Effective Date**” means the later of the dates that this Agreement is signed by Builder or Seller.

### WITNESSETH:

**WHEREAS**, Seller is the fee simple owner of the Real Property which Seller intends to develop into a Phase I of a residential community known as Serenity (the “Community”); and

**WHEREAS**, Seller desires to fully finish, improve, develop, and duly and properly subdivide the Real Property into approximately twenty-two (22) approximately 43’ wide, fully developed residential building lots, having lot numbers 45, 74-82, and 95-106 (each a “**Lot**” and collectively the “**Lots**”) generally in accordance with the preliminary site plan attached hereto as **Exhibit A** which includes the overall Community layout and the layout for the Phase in which the Lots are situated (the “**Site Plan**”); and

**WHEREAS**, Seller desires to sell the Lots and Builder desires to purchase the Lots, all upon the terms and conditions set forth herein.

**NOW THEREFORE**, for and in consideration of Ten and No/100 Dollars (\$10.00), the foregoing premises, which are incorporated by reference, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Terms and Definitions.** The terms listed below shall have the respective meaning given to them as set forth adjacent to each term.

a. “**Approvals**” shall mean all governmental approvals and the expiration of all appeal periods without the filing of any appeal or if an appeal is filed the resolution of the appeal in a manner that is favorable to Builder and Seller, (including but not limited to those approvals required to be issued by the Governing Jurisdictions) necessary to (i) rezone and/or obtain zoning approval for the Real Property that establishes or permits a use classification needed to develop the Lots in accordance with the Site Plan, (ii) obtain site plan approval and construction drawing approval, and (iii) establish the right to connect to and receive public water and sewer service for the Lots.

b. “**Approval Deadline**” shall mean on or before April 15, 2020.

c. “**Builder’s Notice Address**” shall be as follows:

Attn: Jim Garman and Rebecca McAdoo  
2051 Renaissance Park Pl.  
Cary, NC 27513  
Telephone: 919.452.9769 (Jim Garman); 919.900.0705 (Rebecca McAdoo)  
Email: jhgarman@garmanhomes.biz; rebecca@garmanhomes.biz

With a copy to:

Kennon Craver, PLLC  
4011 University Dr., Ste. 300  
Durham, NC 27707  
Attn: Will Anderson  
Fax: 919.490.0873  
Email: [wanderson@kennnoncraver.com](mailto:wanderson@kennnoncraver.com)

d. “**Closing**” shall occur on a date selected by Builder on or before the date which is fifteen (15) days following the later of (i) the expiration of the Inspection Period; (ii) satisfaction of the Pre-Closing Development Obligations as described in Section 11; or (iii) such other date as the parties may hereby agree (the “**Closing Date**”). Builder shall purchase the Lots from Seller at the Closing.

e. “**Design Guidelines**” shall mean that certain “Architectural Guidelines and Architectural Review Board Procedures” promulgated by Seller and as amended from time to time. The Design Guidelines agreed to by the Builder prior to the expiration of the Inspection Period are referred to herein as the “**Effective Design Guidelines**”.

f. “**Earnest Money**” shall mean the sum of Sixty-Six Thousand and No/100 Dollars (\$66,000.00).

g. “**Escrow Agent**” shall mean Investors Title Insurance Company.

h. “**Escrow Agent Notice Address**” shall be as follows:

Investors Title Insurance Company  
121 North Columbia St.  
Chapel Hill, NC 27514  
Attn: Gina Webster  
Email: [CommercialEscrow@invtitle.com](mailto:CommercialEscrow@invtitle.com)

i. “**Governing Jurisdictions**” shall mean each local, state or federal governmental entity with jurisdiction over the Real Property, including but not limited to the Town of Fuquay-Varina, Harnett County, North Carolina, the United States of America and the divisions and departments of each.

j. “**Inspection Period**” shall commence on the Effective Date and expire at 11:59 p.m. Eastern Time on the forty-fifth (45th) day thereafter.

k. “**Offer Deadline**” shall mean 5:00 p.m. Eastern Time on December 31, 2019.

l. “**Purchase Price**” shall mean Seventy-Five Thousand, Five Hundred and No/100 Dollars (\$75,500.00) for each Lot.

m. “**Real Property**” shall mean those certain parcels of real property located in Harnett County, North Carolina being a portion of Parcel ID numbers 0806550032, 0806550040, and 0806550036, as more particularly described on **Exhibit B** attached hereto and incorporated herein by reference, together with all improvements situated thereon, all right, title, and interest of Seller in and to any land lying in the bed of any existing dedicated street, road, or alley adjoining thereto, any ground rights in any street to be dedicated, all strips and gores adjoining thereto, and all water and mineral rights and all other rights, ways, easements, privileges, and appurtenances thereunto belonging.

n. “**Seller’s Notice Address**” shall be as follows:

ATTN: Matt Brubaker  
8601 Six Forks Road  
Suite 270, Raleigh, NC 27615  
Telephone: (919) 815-6469  
Email: [MBrubaker@greenfieldcommunities.com](mailto:MBrubaker@greenfieldcommunities.com)

With a copy to:

Nexsen Pruet, PLLC  
Attn: Brad Staley  
4141 Parklake Avenue, Suite 200  
Raleigh, NC 27612  
FAX: 919.573.7463  
BStaley@nexsenpruet.com

o. “**Title Company**” shall mean Investors Title Insurance Company.

2. **Agreement to Sell and Purchase.** Seller agrees to sell, and Builder agrees to purchase the Lots on the terms and conditions set forth in this Agreement.

3. **Purchase Price, Deposit and Marketing Fee.**

a. Builder shall pay the Purchase Price subject to adjustments, prorations and credits as herein provided in this Agreement at each Closing by delivery of immediately available funds to Settlement Agent (as defined herein).

b. Builder shall deposit the Earnest Money with Escrow Agent within five (5) business days of the Effective Date. The Earnest Money shall become non-refundable upon expiration of the Inspection Period except in the event of Seller default and as specifically provided for in this Agreement. Unless terminated pursuant to Section 4(c) and provided that the Inspection Period has expired, Escrow Agent shall release the Earnest Money to Seller upon that date that is three (3) business days following approval of the Construction Drawings (as defined herein) by the Governing Jurisdiction and has provided reasonable evidence to Builder of the same.

c. The Earnest Money shall be used by Builder for the sole purpose of developing the Real Property. Escrow Agent shall hold the Earnest Money pursuant to **Exhibit C** attached hereto and incorporated herein by reference (“**Escrow Conditions**”).

d. Unless otherwise provided in this Agreement, the Earnest Money shall be applied to the Purchase Price of the Lots purchased at the Closing.

e. If Seller fails to complete the Pre-Closing Development Obligations (in accordance with the applicable Development Obligations and the terms of this Agreement) then Builder may, but is not obligated to, send written notice to Seller of such failure (the “**Incomplete Development Notice**”). Seller shall then have thirty (30) days after receipt of the Incomplete Development Notice to complete the Pre-Closing Development Obligations. If Seller has not completed the Pre-Closing Development Obligations within the thirty (30) days, Builder may, but is not obligated to, terminate this Agreement and receive a refund of the Earnest Money. If Builder fails to deliver the Incomplete Development Notice or terminate this Agreement pursuant to this Section 3(d) then Builder shall be deemed to have granted Seller a sixty (60) day extension of the applicable Closing.

f. Marketing Fee. There shall be a one-time marketing fee to be paid by Builder at Builder’s closing of the sale of each Lot and the improvements built thereon, which fee shall be one and one-half percent (1.5%) of the net sales price of the Builder’s Lot and the associated improvements as shown on the applicable closing statement (the “**Marketing Fee**”). The Marketing Fee shall be payable to the Seller, and shall be used by the Seller to market the Real Property to the public.

#### 4. **Inspection of Real Property.**

a. Inspection Period. Builder and its agents, consultants and contractors shall during the Inspection Period have the option to enter upon the Real Property and to inspect and perform such non-intrusive testing and studies deemed necessary or appropriate by Builder including without limitation, surveys (topographic and boundary, including ALTA requirements), non-invasive soil studies, environmental and hazardous waste studies (any studies more intrusive than a Phase I shall require Seller’s prior written approval), market studies and other due diligence and design investigation and testing. Seller grants to Builder, its agents, consultants and contractors, a non-exclusive license to enter upon the Real Property to conduct such tests and studies. Seller shall cooperate with all parties performing such inspections. Builder shall indemnify, defend, and hold Seller harmless against all claims of mechanics liens on the Real Property arising solely from Builder’s inspection of the Real Property, which obligation shall survive Closing or any termination of this Agreement.

b. Development Activity. Builder acknowledges that there will be development activity on the Real Property during the Inspection Period and continuing until the completion of the Community. Builder, its agents, consultants and contractors shall make all commercially reasonable efforts to avoid interference with such development activity and shall reimburse Seller for any costs directly related to the repair of any damages caused as a result of Builder’s inspections within thirty (30) days of receipt of invoice from Seller.

c. Right to Terminate. Builder may, prior to the expiration of the Inspection Period, terminate this Agreement, for any reason or no reason, without penalty, by giving written notice to Seller which must be received prior to the expiration of Inspection Period, whereupon this Agreement shall be deemed terminated and shall be null and void without recourse to either party hereto, except for those obligations which expressly survive the termination of this Agreement. Prior to any entry onto the Lots by Builder, its agents, employees or contractors, Builder shall furnish to Seller a certificate from an insurance company licensed to do business in the State of North Carolina and reasonably



acceptable to Seller certifying that Builder has a valid and existing general liability insurance policy from said insurance company in an amount not less than \$1,000,000 and naming Seller and Greenfield Management, Inc. as an additional insureds.

5. **Title and Survey.**

a. During the Inspection Period, Builder may cause the Title Company to deliver to Builder a standard owner's preliminary title commitment ("**Title Commitment**"). Builder shall have until the expiration of the Inspection Period in which to examine the Title Commitment and any survey of the Real Property it obtains and make its written objections ("**Title Objections**") to any matters, requirements and/or exceptions contained in the Title Commitment or shown on a survey which are not caused by Builder and which render title unmarketable by providing written notice to Seller setting forth the Title Objections ("**Objection Letter**"). If Builder fails to provide the Objection Letter to Seller prior to the expiration of the Inspection Period within such time period, then, for all purposes of this Agreement, Builder shall be deemed to have accepted title in the condition described in the Title Commitment. Any title exceptions affecting the Real Property or any Lots as of the effective date of the Title Commitment which are not objected to within such time period shall be deemed to be acceptable to Builder and permitted exceptions under this Agreement ("**Permitted Exceptions**"). As part of the subdivision and development activities of Seller with respect to the Lots, Seller reserves the right before or after Closing to grant such easements and rights-of-way as may be necessary in the sole discretion of Seller in accordance with existing applicable approvals of governmental authorities, provided only that such easements do not materially and adversely affect the ability of Builder to build a residence on the Lot pursuant to the Plans, it being agreed that the same shall also constitute "Permitted Exceptions" hereunder.

b. If Builder timely notifies Seller of any Title Objections prior to the expiration of the Inspection Period, then within five (5) business days after receipt by Seller of the Objection Letter ("**Response Period**"), Seller shall deliver written notice to Builder advising Builder whether or not Seller will cure all or any of the Title Objections set forth in the Objection Letter ("**Response Notice**"). If Seller fails to deliver a Response Notice (which shall be deemed a refusal to cure the Title Objections) or delivers a Response Notice which elects not to cure one or more Title Objections, then within five (5) business days after the expiration of the Response Period ("**Election Period**"), Builder shall deliver written notice to Seller ("**Election Notice**") electing to either (i) terminate this Agreement, in which event the parties hereto shall have no further rights or obligations hereunder except for those rights and obligations which specifically survive termination hereunder and Builder shall receive a full refund of all Earnest Money, or (ii) waive all the Title Objections which Seller has elected not to cure, in which event such waived Title Objections shall be deemed to be Permitted Exceptions under this Agreement. Builder's failure to deliver the Election Notice within the Election Period shall be deemed to constitute Builder's election to waive all the Title Objections which Seller has elected not to cure. If Seller elects pursuant to the Response Notice to attempt to cure any Title Objections, then Seller agrees to cure such Title Objections within thirty (30) days after Seller's delivery of the Response Notice (the "**Cure Period**") and upon Seller's failure to cure such Title Objections during the Cure Period Builder must either elect clause (i) or (ii) herein.

c. Builder shall have the right to update its title examination prior to the Closing Date. In the event that any matter shall be recorded against any Lot between the date of the Title Commitment and the Closing Date, or evidenced in an update to the tax and lien search, which is not contained in

the Title Commitment (“**New Matter**”), then each such New Matter, unless it is due to an act or omission of Builder in connection with the terms of this Agreement, shall be deemed to be objectionable to Builder and shall be removed by Seller promptly upon Builder’s request, but in all events, prior to the applicable Closing Date. In the event such New Matters are not removed, Builder shall have the rights and remedies which may be available to Builder, at law, at equity and under the terms of this Agreement or extend the Closing Date until such matters are removed.

6. **Conditions to Closing.** Builder’s obligation under this Agreement to close on the purchase of the Lots is conditioned upon satisfaction of each of the following conditions precedent in favor of Builder occurring prior to Closing (collectively, the “**Conditions to Closing**” and each a “**Condition to Closing**”):

a. Seller shall be capable of and prepared to deliver good and marketable fee simple title to the Lots subject only to the Permitted Exceptions;

b. All of Seller’s representations and warranties contained in this Agreement shall be and remain true and correct, and each of Seller’s covenants must be complete and fully performed in all material respects, as of the Effective Date and through Closing;

c. The Lots to be purchased at Closing must have been developed such that upon proper application by Builder, including payment of all fees, a building permit for the construction of single-family residences on the Lots can be issued and upon completion of a house in accordance with applicable codes, certificates of occupancy for single-family residences will be obtainable;

d. Seller shall have completed all of the Pre-Closing Development Obligations as described in Section 11(d) and Exhibit D of this Agreement; and

e. The Real Property shall have been subdivided into the Lots pursuant to a duly recorded subdivision plat, substantially similar to the Site Plan; and

f. The Real Property shall be subject to the duly recorded Approved Declaration (defined herein), and Seller, its successors or assigns, shall hold all declarant’s rights under the Approved Declaration.

If any of the Conditions to Closing are not satisfied as of March 31, 2021, Builder may elect by giving written notice to Seller on or before the date set for such Closing to: (i) waive the Condition to Closing; (ii) extend the date of the Closing by an amount of time necessary for the Condition of Closing to be satisfied, but not greater than sixty (60) days; or (iii) terminate this Agreement as to the impacted Lot(s) and receive a refund of the Earnest Money in an amount equal to the number of impacted Lots as to which the termination applies multiplied by a fraction, the denominator of which is the total number of Lots (including those that are the subject of the termination) and the numerator of which is the Earnest Money contemplated by this Agreement. If the failure of a condition arises from a default by Seller, Builder may elect to pursue any remedy available pursuant to this Agreement. If Builder elects to extend the Closing pursuant to clause (ii) above, at the end of the extension period Builder must elect either option (i) or (iii).

7. **Closing and Possession.** Subject to the Conditions to Closing set forth in Section 6 above, the consummation of the purchase of the Lots as set forth herein (the “**Closing**”) shall take place at the office of Builder’s attorney (“**Settlement Agent**”) and in accordance with the following stipulations:

- a. Closing on the Lots shall occur on the Closing Date. Closing shall be held at a time, date and location designated by Builder. Builder shall provide Seller no less than seven (7) days' notice of the Closing Date.
- b. At each Closing, Seller shall deliver exclusive possession of the Lots and shall execute, acknowledge, and deliver to Builder the following closing documents for each Lot to be purchased:
- i. A special warranty deed in recordable form and satisfactory to Builder and the Title Company (“**Deed**”) conveying insurable, indefeasible fee simple and marketable title to each Lot to Builder, subject only to the Permitted Exceptions;
  - ii. A Foreign Investment in Real Property Tax Act (“**FIRPTA**”) certification in conformance with the requirements of FIRPTA, and a 1099-S;
  - iii. Such organizational and authorizing documents as shall be reasonably required to evidence Seller's authority to consummate the transactions contemplated by this Agreement; and
  - iv. Lien releases, affidavits, and other documents reasonably satisfactory to the Title Company, indemnifying the Title Company and Builder from all liability and expense, including attorneys' fees, that the Title Company and Builder may incur in connection with unfiled mechanics' liens for any work completed or materials furnished at or about the Real Property prior to Closing sufficient for the Title Company to remove the standard mechanic's lien exception, together with a possession affidavit sufficient for the Title Company to remove the standard tenancy in possession exception.

**8. Closing Costs and Prorations.** Seller shall pay all transfer taxes, the cost of satisfying any liens on the Real Property (other than those caused by Builder), Seller's attorneys' fees, half the Escrow Agent's fees, and all expenses incurred by Seller related to Closing. Builder shall pay Builder's attorneys' fees, any inspection costs, the cost of any title search, survey, title insurance (including but not limited to the cost for preparation and issuance of owner's and lender's title policies and any endorsements requested by Builder), half the Escrow Agent fees, and recording costs for the Deed and any deed of trust or mortgage, as the case may be. Ad valorem taxes on the Lots for the tax year of each Closing shall be prorated between Seller and Builder as of Closing based on the latest assessment available. Should such proration be inaccurate based on the actual ad valorem tax bill when received, either party may demand, and shall receive, a payment from the other correcting such apportionment. If the Lots are not separately assessed for tax purposes but are part of an acreage tract for such purposes, the per-Lot tax valuation of the Lots being closed shall be determined by prorating the most recent tax bill by acreage before prorating by date. Seller shall be solely responsible for any deferred taxes or rollback taxes, for taxes applicable to years prior to the year in which Closing occurs, and for late payment fees or other penalties, if any. This Section shall survive the Closing.

**9. Condemnation and Casualty.** The risk of casualty, condemnation or eminent domain shall be borne by Seller until the Closing. In the event of any negotiations with any authority regarding the payment of any awards or other sums or regarding any settlement on account of any damaging, taking or acquiring through condemnation or eminent domain, Seller shall inform Builder of all such negotiations of which Seller has notice and will permit Builder to take part therein. If prior to Closing, all or any portion of the Real Property is condemned or taken, or threatened to be condemned or taken, by any authority, or any portion of the Real Property suffers a casualty loss, Seller shall give Builder immediate notice thereof with a

complete description of all relevant information and complete copies of all relevant documentation. Within thirty (30) days after such notice, Builder may elect to either (i) terminate this Agreement; (ii) terminate this Agreement with respect to the impacted Lot(s) and receive a refund of the Earnest Money prorated by Lot as described in Section 6; or (iii) proceed toward Closing, provided that (y) the Purchase Price shall be reduced by the total of any awards, settlement proceeds or other proceeds received by Seller prior to Closing that occurs after the date on which the proceeds are determined with respect to any damage or taking (or if proceeds are not determined before the Closing, no reduction will be applied, but the following subsection (z) shall apply), and (z) Seller shall assign to Builder all rights of Seller in and to any future awards, settlement proceeds or other proceeds that are payable on or after the Closing.

**10. Seller's Representations and Warranties.** Seller represents and warrants to Builder that, as of the Effective Date and as of Closing, that:

a. Seller has good and marketable fee simple title to the Real Property, free and clear of all liens, encumbrances and other matters (other than the Permitted Exceptions);

b. Seller is a limited liability company, duly organized, validly existing, and in good standing under the laws of North Carolina and is duly authorized to conduct business in the Governing Jurisdiction; and

c. Seller has (i) full authority to execute this Agreement and convey the Lots to Builder and execute and deliver the Deed and such other documents, instruments, affidavits and certificates as are necessary or desirable to effectuate the sale of the Lots; (ii) been duly authorized and empowered to enter into this Agreement and to perform fully its obligations hereunder, such obligations constitute the valid and binding obligations of Seller, enforceable in accordance with their terms; (iii) no further consents or signatures of any other person, entity, public body, or court are required in connection with this Agreement and the performance of all obligations hereunder; and (iv) the execution and delivery of this Agreement and the consummation of this transaction will not result in a breach of any of the terms of, or constitute a default under, any (y) indenture, contract or instrument to which Seller is a party or by which Seller or the Real Property is bound, or (z) law, order, ruling, ordinance, rule or regulation with respect to Seller or the Real Property or the use or construction thereof.

d. In addition to the obligations required to be performed hereunder by Seller at the Closing, Seller shall perform such other acts, and shall execute, acknowledge and deliver subsequent to the Closing such other instruments, documents and other materials as the Builder may reasonably request in order to effectuate the consummation of the transaction contemplated herein and to vest title to the Lots in Builder.

e. Seller shall remain the "Declarant" pursuant to the Approved Declaration (as defined herein) for so long as Seller owns any real property within the Community.

f. Seller has received no written notice of any change contemplated in any applicable laws, ordinances, or restrictions, or of any judicial or administrative action or of any action by adjacent landowners, which would adversely affect the Community.

g. Seller has received no written notice of any violation of any applicable laws, ordinances, regulations, statutes, rules and restrictions pertaining to and affecting the Community.

h. No other person, firm, corporation or other entity has any right or option to acquire the Community, or any portion thereof, as a result of any act of Seller.

i. To Seller's knowledge, there are no parties in possession of any Lot, or portion thereof, whether as lessees, tenants at sufferance, trespassers or otherwise.

j. Seller is not a foreign person within the meaning of Section 7701(a) (5) of the Internal Revenue Code of 1986, as amended.

k. On and after satisfaction of the Development Obligations the Real Property will have reasonable access to and from public highways, streets and roads, and there is not any pending or threatened governmental proceedings or any other fact, which would limit or result in the termination of such access.

l. Seller is financially able to perform all of its obligations under this Agreement.

m. Seller represents and warrants that it has no actual knowledge of the presence or disposal, except as in accordance with applicable law, within the buildings or on the Property of hazardous or toxic waste or substances, which are defined as those substances, materials, and wastes, including, but not limited to, those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR Part 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302.4) and amendments thereto, or such substances, materials and wastes, which are or become regulated under any applicable local, state or federal law, including, without limitation, any material, waste or substance which is: (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a Hazardous Substance pursuant to Section 311 of the Clean Water Act of 1977 (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act of 1977 (33 U.S.C. §1317), (v) defined as a hazardous waste pursuant to Section 1004 of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6903) or (vi) defined as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601). Seller has no actual knowledge of any contamination of the Property from such substances as may have been disposed of or stored on neighboring tracts.

n. Seller represents and warrants to Builder that Harnett County will not approve platting of the Lots without water and sewer service for those Lots being installed, it being understood that Builder will not purchase Lots prior to water and sewer service being installed for such Lots.

#### 11. **Seller's Covenants.**

a. Delivery of Information. Within five (5) days after the Effective Date, Seller shall deliver a written notice to Builder that either attaches the Seller Diligence Items or affirms that Seller does not have one or more of such items in its possession or control. Notwithstanding anything contained herein to the contrary, Builder's sole remedy for the failure of Seller to deliver the Seller Diligence Items (or provide notice to Builder that Seller does not have same) within ten (10) days after the Effective Date shall be the automatic extension the Inspection Period one day for each day delivery of such items or notice is delayed. The "**Seller Diligence Items**" shall include without limitation: (i) surveys; (ii) title reports, commitments and policies; (iii) zoning documents and applications; (iv) reports, documents and surveys regarding rock tests and other soil conditions; (v) environmental

studies; (vi) wetland delineation studies; and (vii) other reports, studies and other materials that pertain to environmental hazards, wetlands, flood studies or any aspect of the physical or environmental condition of the Real Property and the property in the vicinity of the Real Property. If this Agreement is terminated prior to the Closing, Builder shall promptly return the Seller Diligence Items to Seller.

b. Governing Documents. Seller shall prepare the Declaration of Covenants, Conditions and Restrictions (the “**Declaration**”) for the Real Property and related governing documents. The Declaration shall require the formation of a mandatory property owners’ association (the “**HOA**”) and contain provisions customary in a single-family residential planned unit development, including architectural control provisions applicable to the Lots by an architectural control committee (the “**ACC**”), assessment provisions applicable to the Lots, use restrictions applicable to the Lots, easements over, across, under and through the Lots and common areas, and dispute resolution provisions. Prior to recording the Declaration filing the associated articles of incorporation for the HOA, and adopting bylaws for the HOA, Seller shall provide drafts of the same to Builder within fourteen (14) days of the Effective Date, and Builder shall have until the expiration of the Inspection Period to review and comment on such documents. Seller shall provide Builder with all updates to the HOA documents. On or before the Closing, Seller shall record the Declaration (the “**Approved Declaration**”), shall file the articles for the HOA, and cause the bylaws for the HOA to be adopted. After the expiration of the Inspection Period, Seller shall not amend, or cause any amendment to, the Declaration, articles or bylaws in any way that has a material adverse effect on Builder’s ability to build homes on the Lots. Seller shall provide Builder filed copies of the Declaration and articles and the adopted bylaws. Builder shall be required to pay no more than twenty-five percent (25%) of the dues and assessments per Lot pursuant to the Approved Declaration.

c. Approvals. Seller shall, at Seller’s sole cost and expense, obtain the Approvals for the Real Property and the Lots on or before the Approval Deadline. Seller shall be deemed to have obtained an Approval when it is duly issued by the approving agency and all applicable appeal periods, if any, have run without an appeal having been filed. If an appeal has been filed with respect to an Approval, the Approval shall not be deemed obtained until the appeal has been dismissed with finality. Seller shall have the right to appeal the denial of any application for approval and to defend any appeal filed by a third-party. The Approvals may be subject to only such conditions as Seller and Builder in their commercially reasonable discretion deem acceptable. If Seller fails to obtain all the Approvals by the Approval Deadline, Seller may elect to either (i) extend the Approval Deadline for a reasonable period of time (not to exceed 120 days) to permit Seller to obtain any outstanding Approvals, or (ii) terminate this Agreement in which case Builder shall receive a full refund of all Earnest Money and neither party shall have any further obligations to the other party thereunder, except as otherwise provided herein. If Seller elects to extend the Approval Deadline and Seller fails to obtain all the Approvals by the Approval Deadline as extended, then Builder or Seller may elect to terminate the Agreement as provided in the preceding sentence, and Builder shall receive a refund of the Earnest Money, or Builder and Seller may jointly elect to waive any Approval that has not been obtained and proceed to Closing.

d. Lot Development. Seller shall develop the Lots substantially in accordance with the site plan and construction drawings approved by the Governing Jurisdiction, including a landscape plan, preliminary engineering plans, a utilities plan (including the location and elevation of sewer taps), and a grading plan (collectively, the “**Construction Drawings**”), and in accordance with the standards specifically described below and attached as Exhibit D, attached hereto and incorporated

herein by reference (collectively the “**Development Obligations**”). In the event of a conflict between Exhibit D and this Section 11(d), Exhibit D shall control.

- i. The Pre-Closing Development Obligations (as defined in Exhibit D), including but not limited to, clearing, grading, erosion control, water installation, sewer installation, storm drainage installation, applicable street installation with first coat of asphalt, and subdivision of the applicable Lots pursuant to a duly recorded subdivision plat, shall be completed prior to the Closing of each Lot subject to such Closing, substantially similar to the Construction Drawings. Seller shall not make any changes to the Site Plan which materially and adversely affect ability of Builder to construct single family homes on the Lots pursuant to the Plans without the prior written consent of Builder, not to be unreasonably withheld, delayed, or denied.
- ii. Within sixty (60) days of the Initial Closing, Seller shall install electric as required by the Approvals. The remainder of the Post-Closing Development Obligations (as defined in Exhibit D), including but not limited to, natural gas (if available), cable, telephone, and internet, landscaping in the open space areas as required by the Approvals, and sidewalk installation in the open space areas as required by the Approvals, shall be completed by Seller within one hundred fifty (150) days of the Initial Closing.
- iii. The clubhouse, pool, and post office shall be completed no later than November 30, 2021 in accordance with Exhibit D-2 attached hereto and incorporated herein by reference. Seller shall begin vertical construction of the clubhouse no later than that date that is ninety (90) days following the Closing.
- iv. Grading. Each Lot shall be compacted to a soil bearing capacity of at least 95% standard proctor and 2,000 PSF, and Seller shall provide Builder an engineer’s report evidencing same, certified to Seller and Seller will make reasonable efforts to have the report certified also to Builder, provided that Builder pays any additional costs thereof. No spoils, organic materials, or rock shall be buried within any building envelope on any Lot and there shall be no borrow pits, burial pits, or berms within any building envelope on the Lot. Any rock in the first two (2) feet of soil, as measured from the approved finished grade and prior to any grade adjustments by Builder, that would interfere with footings or sewer laterals (“Interfering Rock”) shall have been removed. If any Interfering Rock is found after Closing within any building envelope on a Lot, Builder will provide Seller with written notice thereof (email sufficient) and Seller shall have two (2) days after receipt thereof to inspect the affected Lot(s) to confirm the existence of Interfering Rock and elect in writing (email sufficient) to either (i) remove such Interfering Rock at Seller’s expense or (ii) reimburse Builder for Builder’s actual, third-party, out-of-pocket costs to remove the Interfering Rock within thirty (30) days of presentment of reasonable documentary evidence of same. If Seller elects to remove the Interfering Rock, it shall commence the work within ten (10) business days following the date of its election and proceed with diligent, good faith efforts to complete the work within ten (10) business days after commencement.
- e. Maintenance of Infrastructure. Seller shall maintain the water lines, sewer lines, stormwater lines, streets and all related structures constructed or installed by Seller (the “**Development Work**”) until such time as the structure has been dedicated to, and accepted by, the applicable Governing

Jurisdiction. With the exception of the streets, Seller shall cause such dedication and acceptance to occur within one hundred fifty (150) days following completion of the Initial Closing. Seller cause the dedication of the streets prior to the day that is one hundred fifty (150) days following completion of the Initial Closing, and shall make commercially reasonable efforts to cause the acceptance of the streets subject to and in accordance with the applicable requirements of the Governing Jurisdiction. Such maintenance responsibility shall include, but not be limited to, the installation, repair, and replacement of each such structure in accordance with the design, construction and maintenance standards of the applicable Governing Jurisdiction. Seller may delegate responsibility for maintenance of stormwater control devices to the HOA. If Builder or any of Builder's employees, agents, licensees, or contractors damage any element of the Development Work, Builder shall promptly repair such damage and, if Builder fails to complete such repairs within fifteen (15) days after written demand from Seller, then Seller may, but is not obligated, to make such repairs and Builder shall reimburse Seller for any expenses incurred by Seller as a result plus an additional ten percent (10%) within fifteen (15) days of receipt of invoice from Seller.

## 12. **Builder Covenants.**

a. Building Materials and Debris. Builder shall maintain its construction site(s) in a clean and orderly condition. Builder shall not dump or otherwise deposit any building materials or other debris upon any Lot that it does not own, and Builder agrees that, within five (5) business days after receipt of Seller's written request (e-mail being sufficient) that it do so, Builder will remove any and all such materials and debris placed there by Builder or by its employees, agents, contractors and subcontractors. If Builder fails to remove such building materials or other debris, Seller may, but shall not be required to, remove such building materials or debris; and Builder shall, within fifteen (15) days of receipt of invoice from Seller, reimburse Seller for all actual and reasonable out-of-pocket costs specifically associated with such removed building materials or debris plus an additional ten percent (10%).

b. Damage by Builder. Builder agrees that it shall be responsible for repairing any damage to the landscape, hardscape (including, without limitation, pavements, curb, roads and gutters), bio-retention areas, storm drainage system and other improvements caused by or arising out of actions by Builder, its employees, agents, contractors and subcontractors. If Seller notifies Builder in writing of any such damage, Builder shall repair the damage, at Builder's sole cost and expense, within fifteen (15) days after receipt of Seller's notice. If Builder fails to do so, Seller may, but shall not be obligated to, repair such damage and Builder shall, within fifteen (15) days of receipt of invoice from Seller, reimburse Seller for all actual and reasonable out-of-pocket costs specifically associated with such repair plus an additional ten percent (10%).

c. Street Cleaning. Builder shall be responsible for cleaning the portion of the streets which is immediately adjacent to the Lots purchased by Builder on an as-needed basis, within three (3) business days of a request by Seller (not to be unreasonably requested), and as required by the Governing Jurisdiction. Furthermore, Builder shall be responsible for removing debris from and otherwise cleaning any other street or area when such work is necessitated by the act or failure to act of Builder or its employees, agents, suppliers, contractors and/or subcontractors. Builder's obligation to provide for such street cleaning shall continue for so long as Builder owns any Lots.

d. Concrete Wash Out Area. Builder shall ensure that all concrete trucks used by Builder's contractors and subcontractors use the concrete washout area designated by Seller for Builder's use.



Builder shall share in the cost of removal of accumulated concrete material from this area on a routine basis with other builders and Seller as appropriate. Builder's share shall equal to the quotient of the following: The positive difference of the total number of lots in Phase I of the Community and the lots in Phase I retained by Seller, divided by the number of Lots. As an alternative to the shared washout area, Builder may install a washout area for its exclusive use on a Lot owned by Builder and approved by Seller.

e. Sidewalks. Builder shall be responsible for the construction of sidewalks on each Lot that it acquires and in the rights-of-way of the streets where such Lot directly abuts, all pursuant to the Development Obligations as required by the Site Plan. Builder shall also be responsible for the construction of driveways adjacent to or used in connection with such Lots in accordance with local code. The concrete apron shall be separated from concrete curbs and sidewalks by suitable expansion joints.

Prior to Closing, Builder and Seller shall jointly inspect the curbs abutting the Lots to be acquired at Closing. If any curbs are damaged, Seller will, at Seller's options, replace damaged curb or give Builder at Closing a credit in the amount required to replace any damaged curbs. Thereafter, Builder shall be responsible for repairing any damage to the curbs abutting the Lots acquired by Builder or damage to the curbs caused by Builder or its subcontractors.

f. Street Trees and Other Landscaping. Builder shall be financially responsible for the installation of any required trees and other landscaping on the Lots acquired by Builder and in the rights-of-way of streets abutting such Lots, all as required under the Site Plan. As part of the Development Obligations, Seller shall remove prior to Closing any dead or fallen trees or wood or other obstructions from the Lots to be purchased by Builder. These items must be removed from the Lots and disposed of outside the Community. The requirements set forth in this subparagraph shall be completed by Builder with respect to each Lot prior to the date a certificate of occupancy has been issued for the dwelling constructed on that Lot.

g. On-Lot Erosion and Sediment Control. Builder shall be responsible for the installation of on-Lot erosion and sediment control facilities pertaining to Builder's construction activities, proper maintenance of such facilities with respect to such Lot and for ensuring compliance with all requirements of the Governing Jurisdiction insofar as it pertains to such Lot for so long as Builder owns such Lot. Builder also shall be responsible for the removal of on-Lot erosion and sediment control facilities (specifically excluding temporary traps and storm water management ponds) upon stabilization. If erosion or siltation occurs in any lake, drainage ditch, gutter, detention pond or other area outside any Lot owned by Builder as a result of silt or other debris leaving a Lot owned by Builder, within forty-eight (48) hours after written notice from Seller or the Governing Jurisdiction, Builder shall promptly remove such silt and debris and make permanent restoration. If Builder fails to complete such repairs within three (3) days after written demand from Seller, then Seller may, but is not obligated, to make such repairs, and Builder shall reimburse Seller for any expenses incurred by Seller as a result plus an additional ten percent (10%) within fifteen (15) days of receipt of invoice from Seller.

h. Speculative Construction. In addition to the Model Home (which shall not be considered a Speculative Home), at all times during the term of this Agreement, Builder agrees to obtain plan approval for, diligently pursue building permits for, and in connection with Builder's purchase of the first 22 Lots under this Agreement, Builder shall initially maintain under construction at least four

(4) speculative homes (each a "**Speculative Home**"), then as the initial Speculative Homes sell, Builder shall maintain under construction at least two (2) Speculative Homes, the term "Speculative Home" meaning that the Lot is not under contract to a third-party homebuyer as provided herein; provided, however, that a Lot and dwelling which is the subject of a contract in which the third party Builder's obligations are contingent or conditional shall be a "Speculative Home" until such time as such conditions or contingencies are satisfied and such third party has no right to terminate such contract or such contract could otherwise be subject to termination through no fault of Builder. Notwithstanding any other provision of this Agreement, in the event that Builder does not maintain at the minimum number of Speculative Homes as set forth above, and fails to take such action as is necessary to satisfy the foregoing Speculative Home requirement within ten (10) days after receipt of written notice from Seller, then, in such event, Seller may, at its option, terminate this Agreement by written notice to Builder and, as its sole and exclusive remedy, retain the then-remaining balance of the Earnest Money as liquidated damages for Builder's default; provided, however, that in such event the obligations of the parties hereunder as to Lots previously acquired by Builder shall remain in effect.

i. Model Home.

- i. In addition to Builder's obligations pursuant to subsection (h) above, Builder agrees to construct and maintain at least one (1) model home/sales center on Lot 45 or such other Lot selected by Builder and approved by Seller (the "**Model Home**"), which Model Home shall be fully decorated, furnished and merchandised by Builder. Builder shall begin construction of a Model Home within forty-five (45) days after the Initial Closing, subject to moratorium and force majeure, and shall complete construction within six (6) months after the building permit is received from the Governing Jurisdiction, subject to moratorium and force majeure, and shall open the Model Home upon completion, unless an alternative date has been agreed to by Seller and Builder. Builder shall submit the application for the building permit no later than ten (10) business days after the subdivision plat is recorded in the Harnett County Registry, but Builder shall not be required to apply for the building permit more than fourteen (14) days prior to Closing under any circumstance. Builder agrees to continuously maintain and staff such Model Home for minimum hours as follows: Monday-Saturday 10:00 am to 6:00 pm; Sunday noon to 6:00 pm, or such other times as are customary in the Raleigh, North Carolina, market place for the particular season or time of the year, for so long as four or more Lots purchased by Builder under this Agreement have not been sold to a third-party homeowner.
- ii. Builder acknowledges that the Design Guidelines contain specific requirements for the construction, decorating, furnishing, landscaping and maintenance of model homes in the Community, and hereby agrees to comply with all such requirements with respect to the Model Home to be constructed by Builder pursuant to this paragraph. Without limiting the foregoing, Builder further agrees, as to the Model Home required hereunder, to:
  1. Install window coverings on all windows of the Model Home where such are customarily provided;

2. Maintain builder identification signs in front of the Model Home in a format and design reasonably approved by Seller;
  3. Maintain the lawn and landscaping in accordance with the standards provided for in the Approved Declaration for so long as Builder owns the Model Home;
  4. Advertise and market Builder's homes in the Community on a regular basis; and
  5. Keep the Model Home clear of all sandwich boards, human directional signs, balloons, flags, and signage, except for signage reasonably approved by Seller pursuant to this Agreement.
- j. Construction; Approval of Plans and Specifications. Builder shall construct only one single family dwelling on each Lot and only in accordance with architectural plans (including, without limitation, elevations, and exterior finishes, colors and materials selections, and such other information as the Seller in its discretion may require, collectively, the “**Plans**”) subject to the restrictions and easements affecting the applicable Lots and subject to the following review and approval process.
- i. Portfolio Review: Prior to July 15, 2020, Builder shall submit to the Seller (or its designated agent) a portfolio of the home elevations that Builder intends to construct in the Community, along with its proposed exterior color palette (the “**Portfolio Application**”). The Portfolio Application shall be made at no cost to Builder; however, the reasonable cost of subsequent reviews, if any, shall be borne solely by Builder. Seller shall review the Portfolio Application and provide Builder notice of approval or disapproval (the “**Portfolio Response**”) within fifteen (15) days of Seller’s receipt of same; provided that if Builder’s submitted portfolio is in compliance with the Effective Design Guidelines, then Builder’s portfolio shall be approved. Any disapproval given by Seller shall be accompanied by a reasonably detailed statement of the reasons for such disapproval.
  - ii. Individual Lot Review: Before commencing the construction, erection or installation of any building, fence, wall, exterior lighting, sign, mailbox or mailbox support, or any other improvement or other structure (each of the foregoing being hereinafter referred to as an “**Improvement**” and collectively, the “**Improvements**”), on any Lot, including any site work in preparation therefor, Builder shall submit to the Seller (or its designated agent from time to time) a completed construction application (the “**Individual Lot Application**”), which Application shall include a set of Plans for all proposed Improvements to such Lot for Seller review. Seller shall provide Builder notice of approval or disapproval within fifteen (15) days of Seller’s receipt of the Individual Lot Application. If Builder’s submitted Individual Lot Application is in compliance with the Effective Design Guidelines, then Builder’s Individual Lot Application shall be approved by Seller. If Builder’s Individual Lot Application does not comply with the Effective Design Guidelines, then Seller shall have the unilateral right and discretion to approve or disapprove any Plans in such Individual Lot Application, including for purely esthetic reasons. Any disapproval given by Seller shall be accompanied by a reasonably

detailed statement of the reasons for such disapproval. All Improvements are and shall be subject to the Approved Declaration and all other local, state and Federal governmental legal requirements. Builder acknowledges and agrees that the exterior of any new dwelling and the Lot hardscape and landscaping must be substantially completed in accordance with the Plans approved by the Seller within twenty four (24) months after issuance of a building permit for the Lot for which such Improvements are planned. The initial Individual Lot Application shall be made at no cost to Builder; however, the reasonable cost of subsequent reviews, if any, shall be borne solely by Builder.

- iii. Exceptions. Notwithstanding the rules in the Effective Design Guidelines, (x) Builder may elect to build houses with no windows on the side(s) of the houses, provided that, such exception shall not apply to “Prominent Lots” as defined in the Effective Design Guidelines, and (y) Builder may elect to build one car garage homes, provided that the Model Home and two (2) out of the four (4) initial Speculative Homes shall be a two car garage homes (together with (x), the “Exceptions”), and Seller’s approvals of the Portfolio Application or any Individual Lot Application shall not be denied on the basis of the existence of any Exceptions.
- iv. No Basements. Seller represents to Builder that none of the Lots will require the construction of a basement.

k. Construction Site. Builder shall observe all reasonable construction rules and regulations adopted by the Seller from time to time (“Construction Rules and Regulations”), including, without limitation the following:

- i. Parking of vehicles for workmen shall not block dedicated rights-of-way, and all streets serving the Lots or routinely used by Builder shall be kept clean of mud, dust and debris generated by Builder’s construction activities;
- ii. Except for the maintenance obligations of the Builder, Builder shall confine its construction activities, including all construction staging, to the Lots from time to time owned by the Builder, and shall take all appropriate precautions to protect adjacent property and keep the same clear of equipment and building materials, mud, dirt and construction debris, and free from damage; and
- iii. Builder shall not clear any Lots by fire or otherwise engage in burning activities in any portion of the development.

l. Lot 46. For so long as Builder is not in default of this Agreement and continues to own any Lots, Builder may utilize Lot 46 for parking in support of its marketing and sales activities of the Lots. Builder may improve Lot 46 for such purpose, to include hardscaping, at its sole expense, and subject to such plans as approved by Seller in writing, in Seller’s sole discretion. Builder shall indemnify, defend, and hold Seller harmless against all claims of mechanics liens on Lot 46 arising from its improvement of Lot 46. Furthermore, to the maximum extent permitted by law, and without limitation on any other provisions in this Agreement, and as a material part of the consideration of this Agreement, Builder agrees to indemnify, defend and hold harmless Seller from and against any and all losses, liabilities, damages, injuries, claims, costs and expenses (including attorneys’ fees)

arising from or related to the development or use of Lot 46. The foregoing indemnity and obligations to defend and hold harmless shall apply to any claim or action brought by a private party or by any governmental or quasi-governmental entity under any statute or common law now or hereafter in effect, and is intended to apply with respect to loss, damage, injury or claim arising before or after the conveyance of Lot 46, and shall apply irrespective of Seller's approval, recommendation or other direction with regard to any plans or pursuant to any documents related to the development of Lot 46. Within thirty (30) days following the earlier of (i) Builder's sale of the final Lot to a third-party homeowner, and (ii) the sale of Builder's Model Home, Builder shall, at Seller's sole discretion: (y) return Lot 46 to its condition prior to Builder's improvement, or (z) leave such improvements upon Lot 46.

m. Marketing. Builder shall submit to the Seller (or its designated agent from time to time, including but not limited to the ACC) all marketing materials to be utilized in the advertising and promotion of Builder's activities selling the Lots (the "Marketing Materials") prior to any use of such Marketing Materials. Seller may, in its reasonable discretion, disapprove all, or any part of the Marketing Materials, or request revisions to the same and request Builder resubmit modified Marketing Materials to Seller for approval. Any failure by Seller to approve any Marketing Materials within thirty (30) days of submission thereof shall be a deemed approval. All Marketing Materials shall be subject to subdivision requirements and all other local, State and Federal governmental legal requirements. The initial review of Marketing Materials shall be completed at no cost to Builder. Builder shall provide to Seller, no later than the fifth (5<sup>th</sup>) day of each month following the Initial Closing, and on a form to be provided by Seller, the amount of customer traffic the Model Home and Speculative Homes have received, the number of new sales contracts, the number of contract terminations, and the number of home closings.

n. Builder's Liability. If Builder fails to take any action required by this Section 12, and fails to perform such action within any cure period set forth in this Section 12 or, if no cure period is stated, within ten (10) business days after notice from Seller (e-mail being sufficient), Seller, at its option may, but shall not be obligated to, take such action and pay such sums as Seller deems necessary to address the situation and Builder shall be obligated to pay to Seller the actual cost thereof within ten (10) business days after receipt of an invoice from Seller setting forth such costs.

The terms and provisions set forth in this Section 12 shall survive the Closing under, any default under, and, other than operation of the Model Home, any termination of, this Agreement, and shall run with title to the Lots purchased hereunder, and shall be memorialized in the Memorandum of Agreement, if any.

13. **Brokerage**. Except as expressly provided herein, Builder and Seller agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the sale of the Real Property to Builder. Builder and Seller represent and warrant to each other that they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction. The provisions of this Section 13 shall survive Closing or termination of this Agreement.

#### 14. **Default**.

a. Builder's Default; Pre-Closing. If Builder defaults in its obligations to purchase the Lots, or any of them, beyond any applicable notice and cure period, Seller's sole and exclusive remedy shall be to terminate this Agreement, whereupon Seller shall receive payment of the Earnest Money as

Seller's full liquidated damages as a result of such default. The parties hereby agree that (i) ascertaining the actual damages in the event of such a default is difficult; (ii) it is impossible more precisely to estimate the damages to be suffered by Seller upon Builder's default; (iii) such payment of the Earnest Money is intended not as a penalty, but as full liquidated damages; and (iv) the amount of the Earnest Money constitutes a good faith estimate of the potential damages arising therefrom. In no event shall Seller be entitled to pursue any claim whatsoever against Builder, under law, in equity, or otherwise, except for its pursuit of Seller's sole and exclusive remedy described above.

b. Seller's Default; Pre-Closing. If Seller defaults in the performance of its obligations hereunder prior to the conveyance of any Lots, beyond any applicable notice and cure period, then Builder shall be entitled as its sole remedy, upon written notice to Seller, to elect to (i) terminate this Agreement whereupon Seller shall return the Earnest Money to Builder within fifteen (15) days of such termination together with Builder's actual, documented pursuit costs in connection with the Lots, provided, however, that in no case shall Seller's liability be greater than \$25,000.00, or (ii) provided that all conditions precedent to the obligation of Seller to perform hereunder have been satisfied or waived in writing by Seller, and Builder has tendered performance hereunder, to seek as Builder's sole and exclusive remedy the right of specific performance hereunder, provided that if the remedy of specific performance is not available because of the willful or malicious actions of Seller, Builder may seek money damages. Builder expressly waives any other rights and remedies at law or in equity.

c. Default; Post-Closing. Each of Builder and Seller shall have all rights and remedies at law or in equity with respect to a breach or default by either party under this Agreement with respect to a Lot from and after the Closing for such Lot. Furthermore, no provision of this Agreement or this Section shall be deemed to limit any indemnification or hold harmless obligation(s) of any party hereunder.

d. Notice and Cure Rights. In the event of a default under any covenant contained in this Agreement, the non-defaulting party shall give the defaulting party notice of such default, specifying in reasonable detail the nature of the default, and the defaulting party shall have fifteen (15) days in which to cure said default (the "**Cure Period**"). Notwithstanding the foregoing, if an event of default shall reasonably take longer than fifteen (15) days to cure, so long as the defaulting party has taken, and continues to take, substantive action towards curing such event of default, the Cure Period shall be extended for such reasonable period of time as to cure the event of default, provided that such extension shall not increase the Cure Period for more than ninety (90) days.

15. **Notices.** All notices and other communications required or provided to be sent by either party shall be in writing and shall be sent by: (a) hand delivery, in which case notice shall be deemed given upon receipt or refusal to accept delivery; (b) registered or certified mail, postage prepaid, return receipt requested, in which case notice shall be deemed delivered two (2) business days after being deposited in the United States Mail; (c) reputable, national overnight delivery service (e.g., Federal Express, DHL, UPS), in which case notice shall be deemed given one business day after being deposited with such carrier for overnight delivery; or (d) electronic transmission (facsimile, electronic mail or other similar device), in which case notice shall be deemed delivered upon transmission of such notice, provided that an original of such notice is also sent contemporaneously with the electronic transmission to the intended addressee by means described in clauses (a), (b) or (c) above. All notices shall be addressed to Builder via the Builder Notice Address, to Seller via the Seller Notice address, and to Escrow Agent via the Escrow Agent Notice Address as defined in

Section 1 above. Any address or name specified above may be changed by notice given to the addressee by the other party in accordance with this Section 16 by giving at least ten (10) days prior written notice thereof. The inability to deliver a notice because of a changed address of which no notice was given or an inoperative facsimile number for which no notice was given of a substitute number, or any rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any telephone numbers set forth above are provided for convenience only and shall not alter the manner of giving notice set forth in this Section 16. Notices received on a day that is not a business day shall be deemed received on the next business day, and any fax, email or other electronic transmission received after 5:00 p.m. Eastern Time shall be deemed received on the next business day. Any notice to be given by any party hereto may be given by the counsel for such party.

#### **16. Standard Provisions.**

a. This Agreement shall be interpreted in accordance with the laws of the state in which the Real Property is located.

b. Time is of the essence for any actions to be taken pursuant to this Agreement.

c. This Agreement constitutes the sole and entire agreement of the parties and is binding upon and shall inure to the benefit of Seller and Builder, their respective heirs, successors, legal representatives and permitted assigns. The rights and obligations of Builder under this Agreement may be assigned by Builder to any entity, subject to written consent of Builder. The rights and obligations of Seller under this Agreement may be assigned by Seller to any entity. If Seller consists of more than one person or entity (i) each reference to Seller herein shall be deemed to refer to each person or entity constituting Seller, both individually and in the aggregate, and (ii) each person or entity constituting Seller shall be jointly and severally liable for all liabilities and obligations of Seller hereunder. All prior discussions, negotiations and agreements are merged herein and have no further force or effect. This Agreement may not be modified or amended except by an agreement in writing signed by Builder and Seller. This Agreement may be executed in separate counterparts, and such counterparts shall constitute one and the same document.

d. All representations and warranties contained in this Agreement or given in connection herewith, together with all covenants expressly surviving Closing, shall survive Closing and delivery of the Deed and other documents delivered at Closing and shall not be merged with delivery thereof. The Closing attorney is directed to provide contract survival language in the Closing documentation, but failure to include such language shall not obviate such survival.

e. As used herein, the term “business day” shall mean a day that is not a Saturday, Sunday, or legal holiday. In the event the date for the performance of any covenant or obligation under this Agreement shall fall on a day that is not a business day, the date for performance thereof shall be extended to the next business day. Similarly, in the event the day for the performance of any covenant or obligation under this Agreement involving Escrow Agent shall fall on a business day on which Escrow Agent is closed for business to the public, the date for performance thereof shall be extended to the next business day on which Escrow Agent is open for business to the public. In the event the date for the performance of any covenant or obligation under this Agreement involving Settlement Agent shall fall on a business day on which Settlement Agent is closed for business to the public, the date for performance thereof shall be extended to the next business day on which Settlement Agent is open for business to the public. Unless otherwise specified, in computing any

period of time described herein, the day of the act, event, notice, or default after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such day is not a business day.

f. Any approval or determination given, withheld or made by Builder under this Agreement shall be in Builder's sole and absolute discretion, and any approval hereunder shall only be effective if Builder gives Seller notice of such approval or determination prior to the approved action being taken.

g. If any provision of this Agreement shall be declared invalid or unenforceable by laws applicable thereto, or unenforceable as to certain parties, then the performance of such provision shall be excused by the parties hereto and the remaining provisions of this Agreement shall remain in full force and effect.

h. The titles, captions and Section headings are inserted for convenience only and are in no way intended to interpret, define or limit the scope or content of this Agreement or any provision hereof. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

i. Dispute Resolution: THE FOLLOWING CLAIMS, DISPUTES AND CAUSES OF ACTION (each a "DISPUTE") SHALL BE RESOLVED BY BINDING ARBITRATION, in accordance with the Federal Arbitration Act (Title 9, U.S. Code) or the applicable state arbitration statute, if the Federal Arbitration Act does not apply:

(1) A Dispute involving Seller or Builder brought by or against a third party, whether sounding in contract, tort, or otherwise, that is otherwise subject to an arbitration provision (including any claim or cause of action asserted by or against a subsequent purchaser of one of the Lots, subcontractors, suppliers, manufacturers, affiliated companies, or any other provider of goods or services in connection with the Real Property or this Agreement); or

(2) A post-closing Dispute between Seller and Builder.

A Dispute to recover a liquidated sum (i.e. earnest money or purchase price) or enforce specific performance of this Agreement is not subject to binding arbitration.

Unless the parties agree to use other rules, or the arbitrator deems other rules to be applicable, the arbitration shall be conducted in accordance with the Construction Industry Rules of the American Arbitration Association in effect at the time the demand for arbitration is filed. After a demand for arbitration has been filed and the filing fee paid, any party may require that the Dispute be submitted to mediation prior to commencement of the final arbitration hearing. If the Dispute is not resolved by mediation, then the arbitration proceeding shall continue to conclusion. The arbitration award or decision may be confirmed, entered and enforced as a judgment in a court having jurisdiction, subject to appeal only in the event of the arbitrator's misapplication of the law, no evidence to support the award, or such other grounds for appeal of arbitration awards that exist by statute, common law or the applicable rules. This arbitration provision shall survive closing, breach or termination of this Agreement and shall not be superseded by the doctrine of merger. Any failure or delay of Builder or Seller to enforce any term of this Agreement shall not constitute a waiver of such term, it being explicitly agreed that



such a waiver must be in writing and given pursuant to Section 15. Any such waiver by Builder or Seller shall not be deemed to be a waiver of any other breach or of a subsequent breach of the same or any other term.

j. Upon the termination of this Agreement pursuant to its terms, the Earnest Money shall be paid pursuant to the terms and conditions of this Agreement. In such case Builder and Seller shall thereafter have no further rights, obligations or liabilities hereunder other than those expressly surviving termination.

k. In the event of any litigation or arbitration between Builder and Seller regarding this Agreement, the losing party shall promptly pay the prevailing party's attorneys' fees and expenses and costs of litigation. As used herein, the term "prevailing party" shall mean the party which obtains the principal relief it has sought, whether by compromise, settlement or judgment. If the party which commenced or instituted the action, suit or proceeding shall dismiss or discontinue it without the concurrence of the other party, such other party shall be deemed the prevailing party.

l. Seller and Builder hereby certify to the other that (i) it is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order of the United States Treasury Department as a terrorist, "Specially Designated National or Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control; and (ii) it is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity, or nation.

17. **Memorandum of Agreement.** No memorandum of this Agreement may be recorded in the applicable land records.

18. **Exhibits.** The following exhibits are attached hereto and made a part hereof:

<u>Exhibit</u>	<u>Description</u>
Exhibit A	Preliminary Site Plan
Exhibit B	Legal Description
Exhibit C	Escrow Agreement
Exhibit D	Builder/Seller Responsibility Checklist
Exhibit D-1	Reserved
Exhibit D-2	Amenity

19. **Seller's Option to Repurchase.** In the event that Builder should desire to sell or transfer any Lot or Lots purchased hereunder, without constructing a single family dwelling thereon, Builder shall notify Seller, and Seller shall have the option to purchase such Lot within the ensuing forty-five (45) days by delivering to Builder the Purchase Price for such Lot, in return for a Special Warranty Deed from Builder,

free and clear of all liens and encumbrances other than such easements, reservations and restrictions and the state of title as existed on said Lot or Lots at the time of Closing of such Lot by Seller hereunder, and with all taxes, Association dues and other pro-ratable items prorated to the date of closing thereunder. In such event, Builder shall pay the cost of preparing the Deed, the Grantor's tax and State and Local recording taxes applicable to such Deed, Builder's attorney's fees and shall sign such customary documents as reasonably requested by Seller's counsel and title insurance company, including Substitute 1099 forms, owners' affidavit concerning the absence of adverse title matters including possible mechanics liens, and FIRPTA affidavit. Seller shall be responsible for any and all other fees. If Seller shall exercise its option hereunder, any risk of loss or damage to the Lot(s) prior to the delivery of the deed for such Lot(s) shall be borne by the Builder.

**20. Disclaimer, Release and Assumption.** As an essential inducement to Seller to enter into this Agreement, and as part of the determination of the purchase price, Builder acknowledges, understands and agrees, as of the date hereof and as of the date of each Closing hereunder:

a. Disclaimer.

- i. AS-IS, WHERE-IS. Except as otherwise expressly provided in this Agreement or in the deed(s) by which Lots are acquired by Builder, the sale of the Lots hereunder is and will be made on an "AS IS, WHERE IS" basis and "WITH ALL FAULTS, LIABILITIES, AND DEFECTS, LATENT OR OTHERWISE, KNOWN OR UNKNOWN". Seller has not made, does not make and specifically negates and disclaims any representations, warranties or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past present or future, of, as to, concerning or with respect to the Lots or any other matter whatsoever.
- ii. Sophistication of Builder. Builder represents and warrants to Seller that Builder is an experienced, sophisticated Builder of residential building lots who is familiar with the ownership and operation of real estate projects similar to the development. Builder agrees that Builder has had or will have adequate opportunity to complete all physical and financial examinations (including, without limitation, all of the inspections and investigations referred to herein) relating to the development and the acquisition of Lots under this Agreement, that it deems necessary and, will acquire such Lots solely on the basis of and in reliance upon its own examinations and investigations and the title insurance protection afforded by any Owner's Policy of Title Insurance issued to Builder and its lender in connection therewith, and not on any information provided or to be provided by Seller (except as expressly provided in this Agreement or in the deed(s) by which Builder acquires Lots.
- iii. Due Diligence Materials. Any information provided or to be provided with respect to the Lots and the development is solely for Builder's convenience and was or will be obtained from a variety of sources. Seller has not made any independent investigation or verification of such information and makes no (and expressly disclaims all) representations as to the accuracy or completeness of such information (except to the extent otherwise specifically set forth herein or in the deed(s) by which Builder acquires Lots. Seller shall not be liable for any mistake, omission, or misrepresentation contained in any documents and information provided to Builder nor for any failure of Seller to conduct any particular inspection or investigation of the

Lots, or to investigate or confirm the accuracy or completeness of any information or documents provided to Builder. Seller shall in no event be bound in any manner by any verbal or written statements, representations, brochures or other marketing materials, appraisals, environmental assessment, reports, or other information pertaining to the Lots or the use thereof, furnished by Seller, its manager, or real estate broker, or by any present or future direct or indirect member partner, affiliate, advisor, trustee, officer director, employee, beneficiary, shareholder, participant, investor, representative or agent of Seller or of any partnership, limited liability company, corporation, trust or other entity that acts on behalf of, or has or acquires a direct or indirect interest in Seller (collectively, “Seller Related Parties” and individually, a “Seller Related Party”).

- iv. No Representations or Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, BUILDER ACKNOWLEDGES AND AGREES THAT SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE LOTS, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, OR (B) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE IN OR ON THE LOTS OF HAZARDOUS MATERIALS.

b. Release. Builder releases Seller and all Seller Related Parties from, and waives on its behalf an on behalf of any person or entity claiming by, through or under Builder, and on behalf of their respective successors and assigns, all claims which any one or more of Builder, any person or entity related to or affiliated with Builder, and any party claiming by, through or under any of the foregoing (each, a “Builder Related Party”), has or may have arising from or related to any matter or thing related to or in connection with the Lots and the development including, without limitation, the documents and information referred to herein, any construction defects, errors or omissions in the design or construction of the Lots and/or the development and any environmental conditions therein, and Builder shall not look to any Seller Related Party in connection with the foregoing for any redress or relief. This release shall be given full force and effect according to each of its expressed terms and provisions, including those relating to unknown and unsuspected claims and causes of action. The foregoing provisions shall not limit, however, Seller’s express representations, warranties and covenants contained in this Agreement and in the deeds and other documents executed in connection herewith.

c. Indemnity. To the maximum extent permitted by law, and without limitation on any other provisions in this Section, and as a material part of the consideration of this Agreement, Builder agrees to indemnify, defend and hold harmless each Seller Related Party from and against any and all losses, liabilities, damages, injuries, claims, costs and expenses (including attorneys’ fees) arising from or related to the development or use of the Lots and/or the development by Builder or any Builder Related Party, or the construction, use, or sale or conveyance of any residence or other improvements on the on the Lots by the Builder or any Builder Related Party. The foregoing

indemnity and obligation to defend and hold harmless shall apply to any claim or action brought by a private party or by any governmental or quasi-governmental entity under any statute or common law now or hereafter in effect, and is intended to apply with respect to loss, damage, injury or claim arising before or after the conveyance of any Lots or residences construction thereon, and shall apply irrespective of Seller's approval, recommendation or other direction with regard to any plans or pursuant to any documents related to the development of the Lots or the development.

d. Survival. This Section 20 shall survive each Closing and any termination of this Agreement.

21. **Offer.** This Agreement shall constitute an offer by Builder to Seller to purchase the Lots. This offer is open for acceptance by Seller until the Offer Deadline (or any later date designated or acknowledged by Builder in writing), by which time an unaltered original counterpart of this Agreement, duly executed by Seller, must have been actually received by Builder, without which this Agreement shall be automatically withdrawn and have no further force and effect.

22. **Square Footage.** Unless otherwise agreed upon in writing, each base residence constructed upon a Lot shall be between 1,500 and 2,100 of livable square footage. Notwithstanding the foregoing, a pre-sale home other than the Model Home (but not a Speculative Home) with a single-story sunroom or finished attic/third floor may exceed the 2,100 livable square footage limit. Seller shall covenant with other builders in Phase 1A, B, & C of the Community that the following limitations will apply to the other lot segments, and Seller shall enforce the same:

- 50' lots - Base house livable square feet minimum of 2,000
- 65' lots - Base house livable square feet minimum of 2,400
- 95' lots - Base house livable square feet minimum of 3,000

Seller shall not permit any base house construction in excess of these limits, or waive any such construction, without Builder's prior written consent.

23. **Impervious.** Each of the Lots shall be allocated a maximum capacity of 2,300 square feet of impervious built-up area ("BUA"). Builder shall transfer to Seller any excess amount of BUA greater than the sum of 100 square feet and the amount of BUA used by Builder on that Lot. Builder acknowledges and understands that the additional 100 square feet is to provide the homebuyer the option to add a patio, shed, etc. on the Lot. By way of example, if the BUA used by Builder for a Lot equals 2,000, then Builder shall sign such paperwork as reasonably required to transfer 200 square feet of BUA to Seller (2,300sf – (2,000sf + 100sf) = 200sf). The administration of the impervious program for the Community shall be the responsibility of Seller and shall be at Seller's cost. The administration of the impervious program will be conducted by Seller in a manner that does not delay Builder's closings of completed homes on the Lots.

24. **Developer Agreement.** The Lots will be encumbered by that certain Agreement Regarding a Planned Unit Development by and between Greenfield Serenity, LLC & County of Harnett, North Carolina recorded in Book 3786, Page 191, Harnett County Registry (the "**Developer Agreement**") that will require Builder to utilize certain fire control measures in the construction of residences on specified lots and as more specifically described therein (the "**Fire Control Measures**") as an alternative to a requirement to install a sprinkler system in each residence of the Community (the "**Sprinkler System**"). Builder covenants to construct single-family residences in accordance with the Developer Agreement to the extent it is applicable. Notwithstanding the foregoing, if the Developer Agreement is modified to impose a greater burden on

GREENFIELD – GARMAN HOMES  
PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

Builder (cost or otherwise), including without limitation requiring a Sprinkler System, then Builder may, but is not required to, terminate this Agreement and receive a refund of the Earnest Money.

[SIGNATURES ON FOLLOWING PAGE]


GREENFIELD – GARMAN HOMES  
PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

**IN WITNESS WHEREOF**, the parties hereto have set their respective hands and affixed their seals the day and year indicated.

**Seller:**

GREENFIELD-SERENITY, LLC

By: Its sole manager, Greenfield Communities MM, Inc.

By:  (Seal)  
C58EBE0261C049D...

Print Name: Yang Song

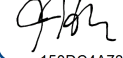
Title: President

1/21/2020

Date: \_\_\_\_\_

**Builder:**

Garman Homes LLC, a North Carolina limited liability company

By:  (Seal)  
150DC4A7390D434...

Print Name: James H. Garman

Title: Manager

1/21/2020

Date: \_\_\_\_\_

GREENFIELD – GARMAN HOMES  
PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

Exhibit A  
Preliminary Site Plan

GREENFIELD – GARMAN HOMES  
PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

Exhibit B  
Legal Description of Real Property



Exhibit C  
Escrow Conditions

**ESCROW AGREEMENT**

THIS ESCROW AGREEMENT (“**Agreement**”), is made and entered into this [redacted] day of 1/21/2020, 20 [redacted] by and among GREENFIELD-SERENITY, LLC, a North Carolina limited liability company, having as mailing address: 8601 Six Forks Road, Suite 270, Raleigh, NC 27615, ATTN: Matt Brubaker (“**Seller**”); Garman Homes LLC, a North Carolina limited liability company, having as a mailing address: 2051 Renaissance Park Pl., Cary, NC 27513 (“**Builder**”); and INVESTORS TITLE INSURANCE COMPANY, a North Carolina corporation, having as a mailing address: 121 North Columbia St., Chapel Hill, NC 27514, Attention: Gina Webster (“**Escrow Agent**”).

WITNESSETH

WHEREAS, Seller and Builder have entered into that certain Lot Purchase Agreement having an Effective Date of 1/21/2020, 20 [redacted] (“**Sales Contract**”), as to certain unimproved real property (hereinafter referred to as the “**Real Property**”) situated in Harnett County, in the State of North Carolina; and,

WHEREAS, Builder and Seller have appointed Escrow Agent to hold earnest money, which earnest money will be held in accordance with the terms of this Agreement and the Sales Contract.

NOW, THEREFORE, in furtherance of the transaction contemplated hereby and for and in consideration of ONE HUNDRED AND NO/100 DOLLARS (\$100.00) cash paid in hand to Escrow Agent by Builder and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. Seller and Builder hereby designate, constitute and appoint Investors Title Insurance Company as the “**Escrow Agent**” under this Agreement to hold earnest money in the amount of SIXTY-SIX THOUSAND AND NO/100 DOLLARS (\$66,000.00) accepts such designation and appointment and agrees to act in accordance with the terms of this Agreement and the Sales Contract. It is hereby expressly understood and agreed that if a conflict should arise as between the terms of this Agreement and those of the Sales Contract, the terms of this Agreement shall control. Seller and Builder agree (a) that Escrow Agent shall be a stakeholder only and not liable for any losses, costs or damages it may incur in performing its responsibilities hereunder unless such losses, costs, or damages shall arise out of the willful default or gross negligence of Escrow Agent or its agents, (b) that no releases or disbursements shall be made hereunder except in accordance with the terms of the Sales Contract and upon consistent written instructions from both Seller and Builder or their successors or assigns; and (c) in the event of a dispute hereunder between Seller and Builder (or their successors or assigns), Escrow Agent shall have the right, exercisable in its sole discretion, to be discharged by tendering unto the registry or custody of any court of competent jurisdiction, the closing documents and funds held by Escrow Agent, together with any such legal pleadings as it deems appropriate. Seller and Builder shall indemnify, save, and hold harmless Escrow Agent for all of its expenses, costs and, reasonable attorneys’ fees incurred in connection with said interpleader action.

2. In accordance with the terms of the Sales Contract and upon receipt of consistent written instructions from both Seller and Builder, or their respective counsel, Escrow Agent shall disburse the funds held in escrow in accordance with the Sales Contract and the written instructions signed by both Builder and

Seller, or their respective counsel. Said written instructions may be given in duplicate counterparts and by facsimile or electronic mail. Escrow Agent shall have the right to deduct Escrow Agent's unpaid fee and any costs Escrow Agent has incurred for overnight delivery charges or wire transfer fees from the funds held prior to disbursement.

3. All checks, money orders, or drafts deposited with Escrow Agent under this Agreement will be processed for collection in the normal course of business. Escrow Agent will not commingle funds received by it in escrow with funds of others and shall deposit such funds in a separate escrow account with a federally insured Bank. Escrow Agent shall not be liable for any loss caused by the failure, suspension, bankruptcy, or dissolution of any such investment vehicle or fund.

4. Escrow Agent shall not be liable for any loss or damage resulting from the following:

- (i) Any default, error, action, or omission of any other party.
- (ii) The expiration of any time limit unless such time limit was known to Escrow Agent and such loss is solely caused by failure of Escrow Agent to proceed in its ordinary course of business.
- (iii) Any loss or impairment of funds while on deposit with a federally insured Bank resulting from failure, insolvency, or suspension of such institution.
- (iv) Escrow Agent complying with any writ, order, judgment, or decree of any court whether issued with or without jurisdiction and whether or not subsequently vacated, modified, set aside, or reversed.

5. Escrow Agent shall be entitled to rely upon the instructions and other matters covered thereby, and shall not be required to investigate the authority of the person executing and delivering such instructions, or otherwise verify the accuracy of the statements of information presented therein.

6. The terms and provisions of this Agreement are for the benefit of Seller, Builder, and Escrow Agent and their respective successors and assigns only. Nothing contained herein shall be deemed or construed to inure to the benefit of any other person or party, it being the express intent of Seller, Builder and, Escrow Agent that no such person or party shall be entitled to any of the benefits hereof, except as herein expressly provided.

7. Time is of the essence of this Agreement.

8. This Agreement is intended as a contract under the laws of the North Carolina and shall be governed thereby and construed in accordance therewith.

9. This Agreement may be executed by facsimile signatures, which for all purposes shall be deemed to constitute originals. This Agreement may be executed in counterparts, all of which when taken together shall be deemed one original.

10. Any interest earned on the funds held in escrow shall accrue to the benefit of Builder, whose tax identification number is [REDACTED], and said beneficiary authorizes Escrow Agent to sign any necessary signature cards on its behalf.

GREENFIELD – GARMAN HOMES  
PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

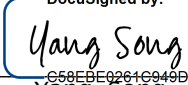
[SIGNATURES APPEAR ON FOLLOWING PAGE]

GREENFIELD – GARMAN HOMES  
PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement as of the day, month and year first above written.

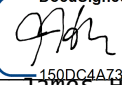
SELLER:

GREENFIELD-SERENITY, LLC

DocuSigned by:  
  
By: \_\_\_\_\_  
Name: Yang Song  
Title: Manager  
Date Signed: 1/21/2020

BUILDER :

Garman Homes, LLC, a North Carolina limited liability company

DocuSigned by:  
  
By: \_\_\_\_\_  
Name: James H. Garman  
Title: Manager  
Date Signed: 1/21/2020

ESCROW AGENT:

INVESTORS TITLE INSURANCE COMPANY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date Signed: \_\_\_\_\_

## Exhibit D

**BUILDER/SELLER RESPONSIBILITY CHECKLIST**

The current Site Plan as of the Effective Date is entitled “Serenity Phase 1 A, B & C” by \_\_\_\_\_ dated \_\_\_\_\_, 2019 has been delivered by Seller to Builder, and shall not be changed materially by Seller without Builder’s prior written consent.

The following items are collectively referred to in this Agreement as the “**Pre-Closing Development Obligations**”:

DESCRIPTION	BUILDER	SELLER
Preparation of Preliminary Plan		X
Record Plat		X
Subdivision Bonds (related to site improvements other than the final lift on streets)		X
Subdivision Bonds (related to the final lift on streets)		X
Performance and Maintenance Bonds (other than final lift on street bonds)		X
Grade Establishment (ROW)		X
Grade Establishment (Lot) (w/in 1” of grading plan)		X
Clearing		X
Lot Corner Stakes (one time)		X – as required
Common Areas turned over to HOA or dedicated		X
Paving (Base Paving & Initial Topping)		X
Curb and Gutter		X
Site Drainage		X
Sewer Laterals		X
Water Service & Meter with Vault		X
Mass Excavation and Building Pad Construction		X
Addresses		X
Building Pad Compaction and Geotechnical Certification		X
Coordination of Underground Utilities		X
Primary Electric Connection		X
Off-Lot Sewer & Water Infrastructure		X
Bench Marks / Survey Control Point(s)		X
ROW access prior to base paving		X
Stockpile Topsoil (if available)		X



The following items are collectively referred to in this Agreement as the “**Post-Closing Development Obligations**”:

DESCRIPTION	BUILDER	SELLER
House Stakeout	X	
Computations – House Stakeout	X	
Wall Checks	X	
Final Lot Survey	X	
VA/FHA documents subdivision approval	X	
Landscaping – on lot planting (incl. street trees)	X	
Landscaping – Street Trees Common space		X
Phase Entrance Landscaping and Monumentation		X
Seeding/Sodding – on-lot	X	
Retaining Walls		X
Parking lot striping (Temp & Perm)		X
Sewer (Builder installs line from property line to house)	X	
Water (Builder installs line from water crock to house)	X	
Finish Fine Grading Lots	X	
Mainline Underground Telephone, Cable, Internet Service		X
Mainline Underground Electric and Natural Gas Service		X
Coordination of Underground Utilities	X	X
Primary Electric Connection		X
Secondary Electric Connection Fees	X	
Building & Plumbing Permit Fees (house service)	X	
Sewer & Water House Connection Fees	X	
Street Signs		X
Public Street Lights (if applicable)		X
Leadwalks	X	
Public and Private Sidewalk (on Lot)	X	
Public and Private Sidewalk (off Lot)		X
Foundation Excavation	X	
Driveway & Drive Aprons	X	
Stockpile Topsoil (if available)		X
Erosion Control and Maintenance and Storm Water Management:		
On Lot	X	
Erosion Control Initial Installation and Removal	X (on Lot)	X (off Lot)
Storm Outfall Fencing (if shown on plans)		X
Backfill/Removal Sediment Basins		X
SWPPP Plan & Permit – On Lot	X	

GREENFIELD – GARMAN HOMES  
PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

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PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

EXHIBIT D-1

**RESERVED**



GREENFIELD – GARMAN HOMES  
PROPERTY: 22 LOTS, SERENITY  
HARNETT COUNTY, NORTH CAROLINA

## EXHIBIT D-2

### AMENITY

The Community amenity will be substantially similar with that depicted on the following attached pages.

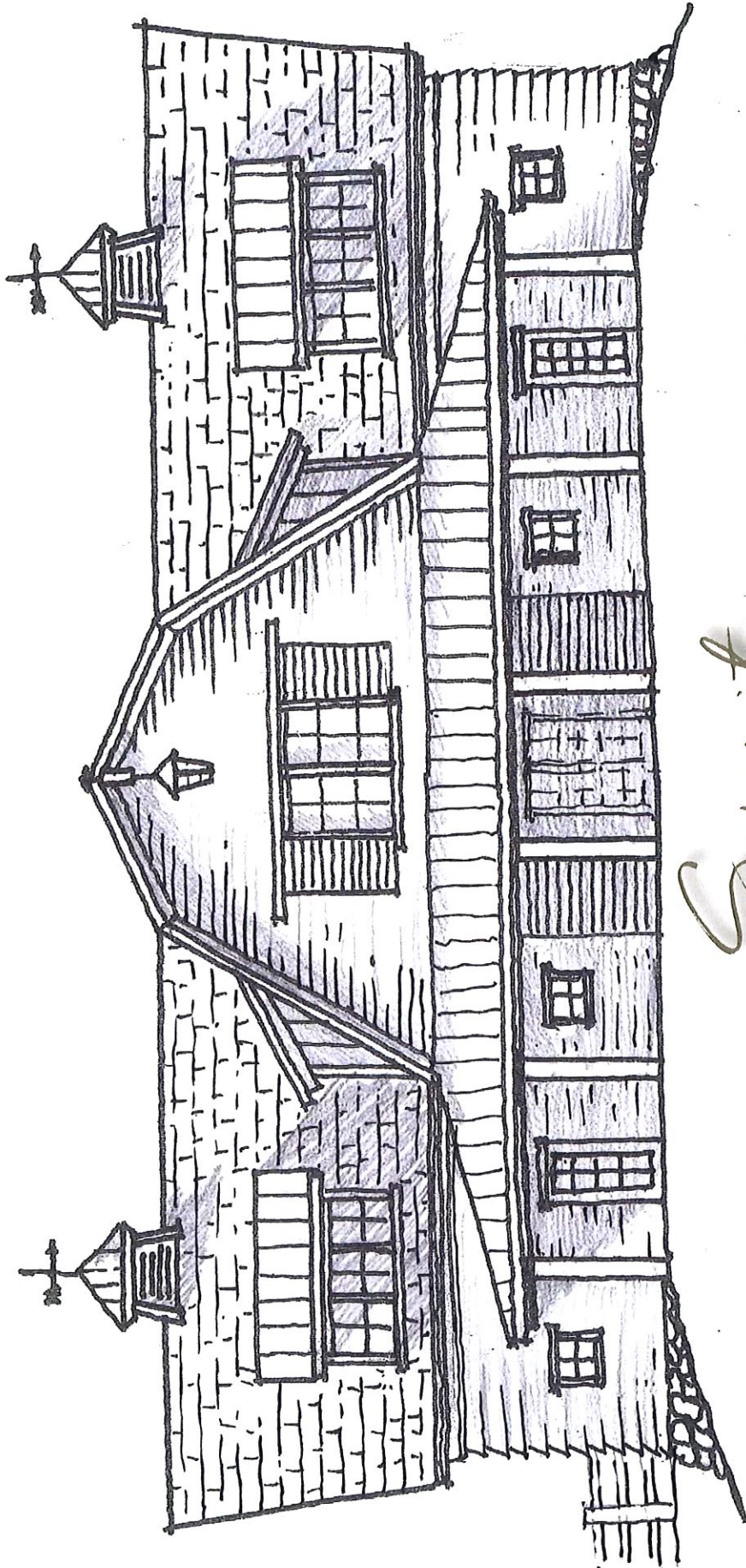
[attach amenity concept plans]



STRENGTH THROUGH  
COMMUNITY  
SERENITY CLUBHOUSE AND AMENITY

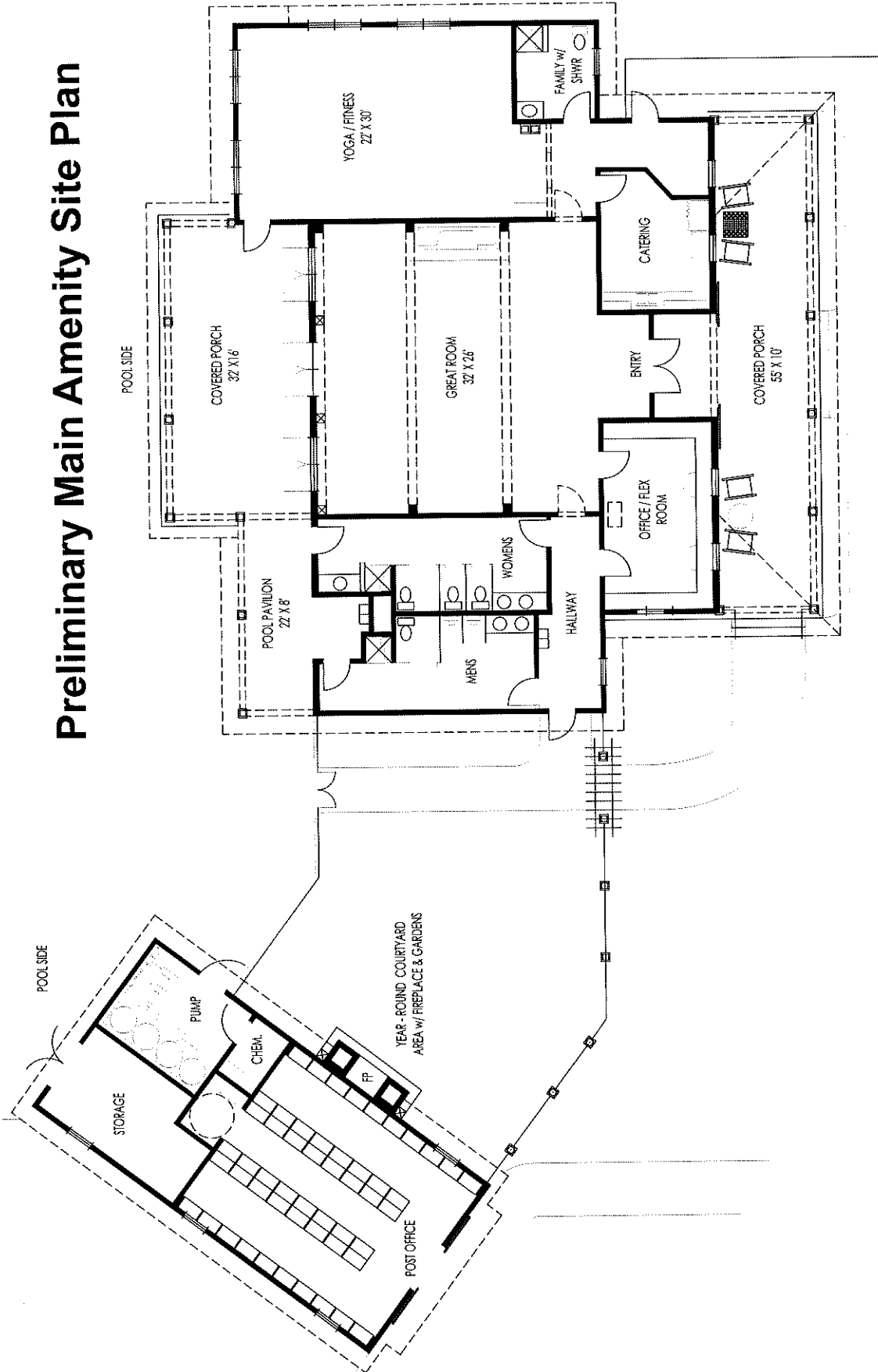


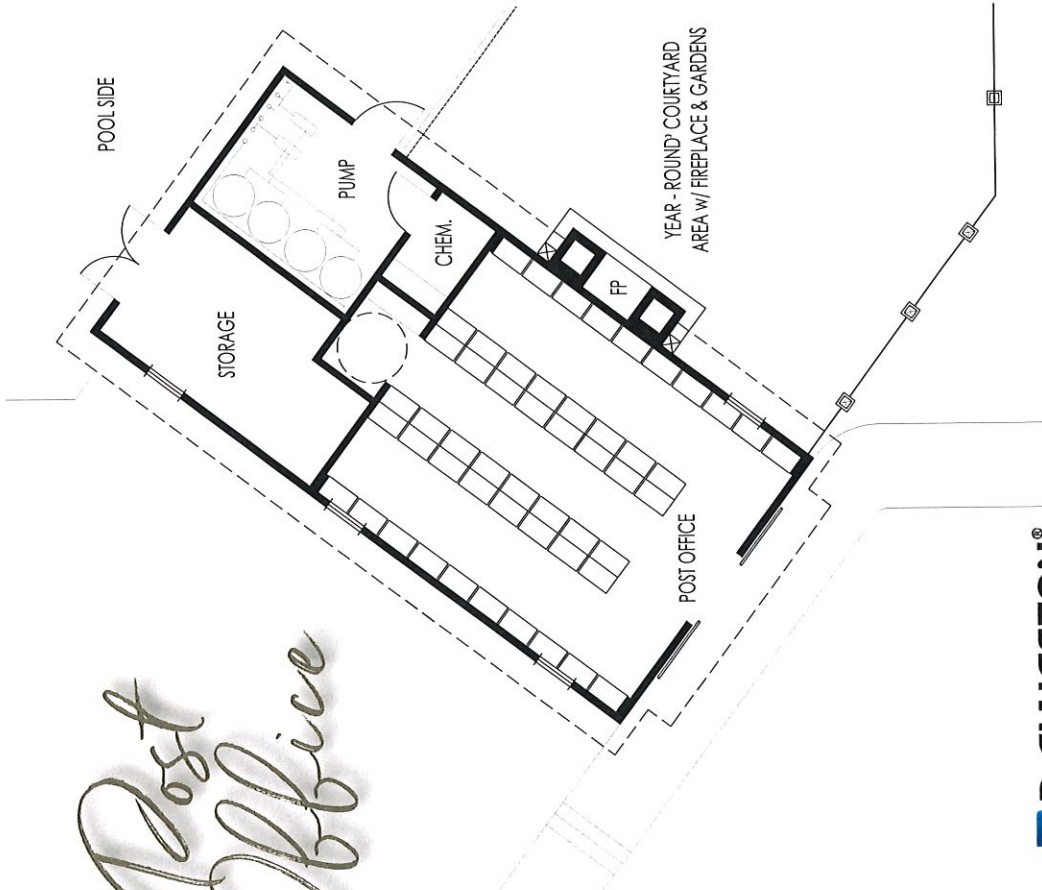
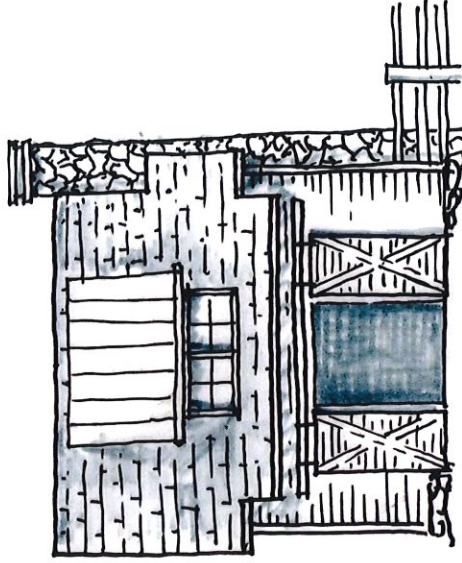




*Serenity Hall*

# Preliminary Main Amenity Site Plan



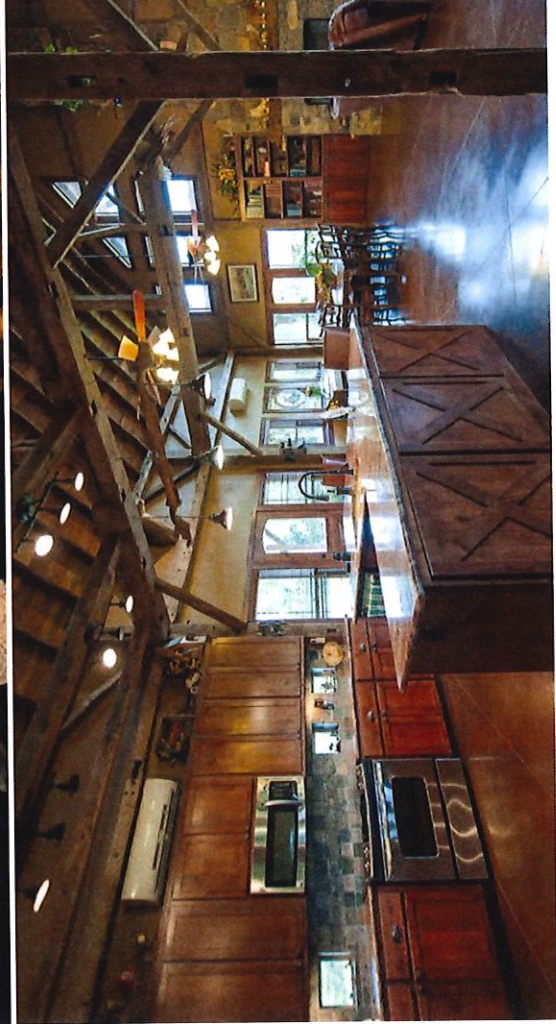
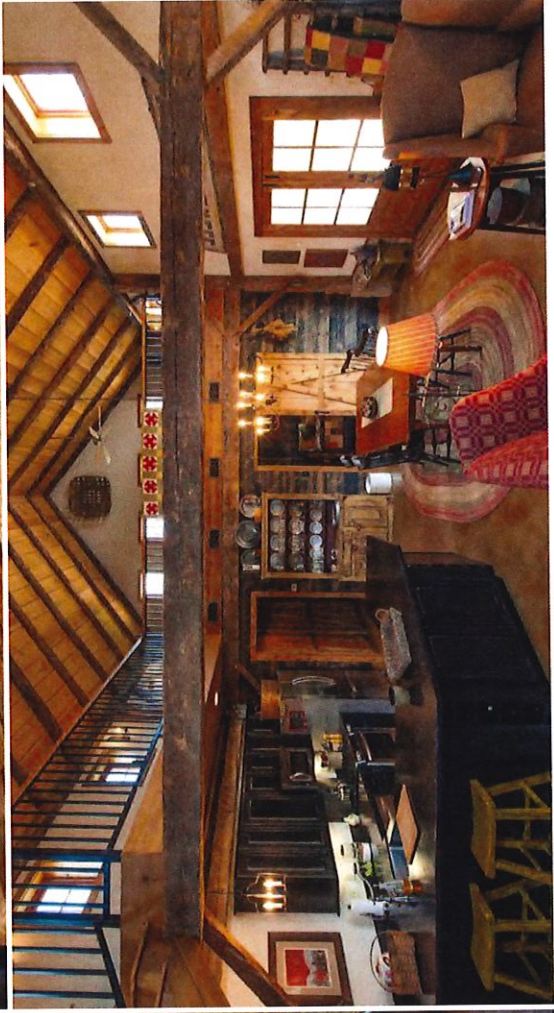


*Post Office*

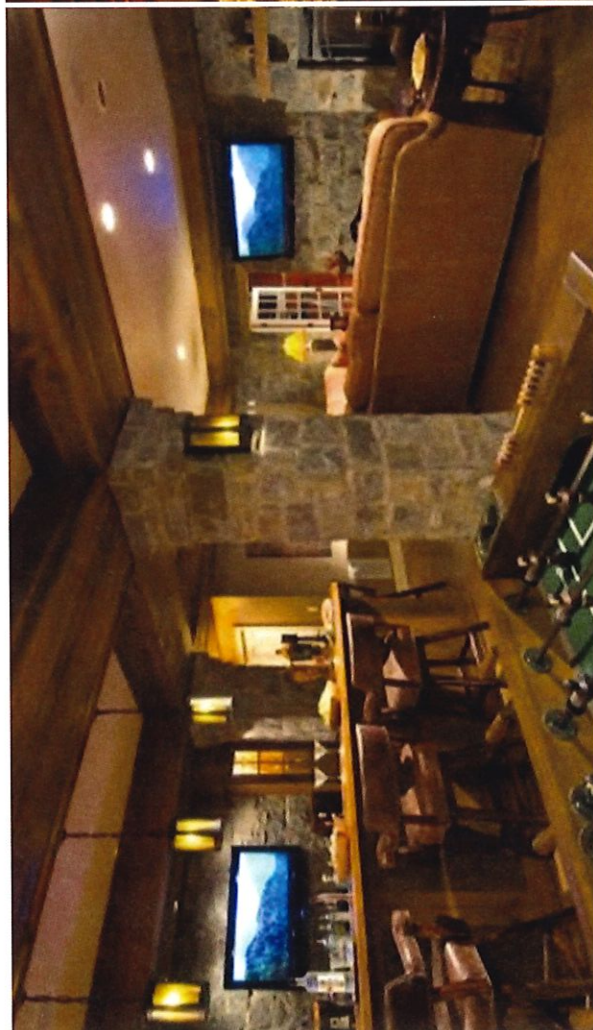
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THE BUILDING & DEVELOPMENT CO.

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### SITE DATA - PHASE 1A, 1B & 1C

**OWNERS/SUBDIVIDER/DEVELOPER:**  
 MATT BRUBAKER  
 GREENFIELD COMMUNITIES  
 8601 SIX FORKS RD  
 RALEIGH, NC 27615  
 PHONE: 919-815-6469

**ENGINEER:**  
 TIMMONS GROUP  
 JIM CHANDLER, PE  
 5410 TRINITY ROAD, STE. 102  
 RALEIGH, NC 27607  
 PHONE: 919-866-4507

PIN #s = 0665-23-9685, 0655-13-8762, 0655-03-4488  
 0645-95-9146, 6565-82-8633, 0645-72-7454

FIRM MAP# = 3720064400J, 3720065400J, 3720065500J

TOTAL EXISTING TRACT AREA = 447.51 acres  
 ZONING = PUD  
 PHASE 1A, 1B & 1C AREA = 50.76 AC  
 PHASE 1A, 1B & 1C NUMBER OF LOTS = 124  
 MAXIMUM ALLOWED DENSITY = 2.25 du/a  
 AVERAGE LOT SIZE = 9,450 sq.ft.  
 MINIMUM ALLOWABLE LOT SIZE = 6,000 sq.ft.  
 MINIMUM LOT SIZE PROVIDED = 6,005 sq.ft.

MAXIMUM IMPERVIOUS AREA 24%  
 PHASE 1A LENGTH OF ROADS = 10,941 LF  
 TOTAL SITE IMPROVED OPEN SPACE PROVIDED = 18.40 AC  
 TOTAL SITE OPEN SPACE PROVIDED = 167.01 AC

### PHASE 1A, 1B & 1C STREET DATA

STREET NAME	TYPE	LENGTH (LF)	ROW (FT)
SERENITY WALK PKWY	RESIDENTIAL COLLECTOR	322	100
SERENITY WALK PKWY	RESIDENTIAL COLLECTOR	3,025	60
WELCOME DR	RESIDENTIAL LOCAL	738	50
SNEED LN	RESIDENTIAL LOCAL	997	50
RELAXING PL	RESIDENTIAL LOCAL	560	50
COMFORT CIR	RESIDENTIAL LOCAL	346	50
SERENDIPITY DR	RESIDENTIAL LOCAL	620	50
CONTENTMENT CT	RESIDENTIAL LOCAL	469	50
CALMING PL	RESIDENTIAL LOCAL	408	50
RETREAT DR	RESIDENTIAL LOCAL	1,510	50
DAYDREAM CROSSING	RESIDENTIAL LOCAL	712	50
INSPIRATION WAY	RESIDENTIAL LOCAL	755	50
GLEN EDEN CT	RESIDENTIAL LOCAL	333	50

### SETBACKS

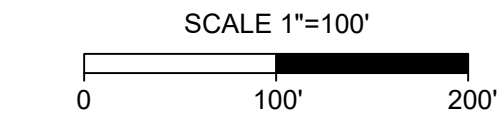
43' LOT WIDTHS	> 42' LOT WIDTHS
FRONT YARD = 20 feet	FRONT YARD = 20 feet
SIDE YARD = 4 feet OR 0'	SIDE YARD = 5 feet
REAR YARD = 20 feet	REAR YARD = 20 feet
CORNER YARD = 12 feet	CORNER YARD = 12 feet

### PHASE 1A, 1B & 1C IMPROVED OPEN SPACE

IOS	AREA (SF)	AREA (AC)
IOS 1	78,403.75 SF	1.80 AC
IOS 2	104,231.17 SF	2.39 AC
IOS 3 - AMENITY	175,720.07 SF	4.03 AC
<b>TOTAL</b>	<b>358,354.99 SF</b>	<b>8.23 AC</b>

### OPEN SPACE TABLE

OPEN SPACE	AREA (SF)	AREA (AC)
OPEN SPACE 1	26,887.90 SF	0.62 AC
OPEN SPACE 2	13,667.16 SF	0.31 AC
OPEN SPACE 3	3,702.80 SF	0.09 AC
OPEN SPACE 4	152,372.05 SF	3.50 AC
OPEN SPACE 5	5,707.35 SF	0.13 AC
OPEN SPACE 6	5,445.64 SF	0.13 AC
OPEN SPACE 7	5,742.58 SF	0.13 AC
OPEN SPACE 8	6,300.79 SF	0.14 AC
<b>TOTAL</b>	<b>219,826.27 SF</b>	<b>5.05 AC</b>

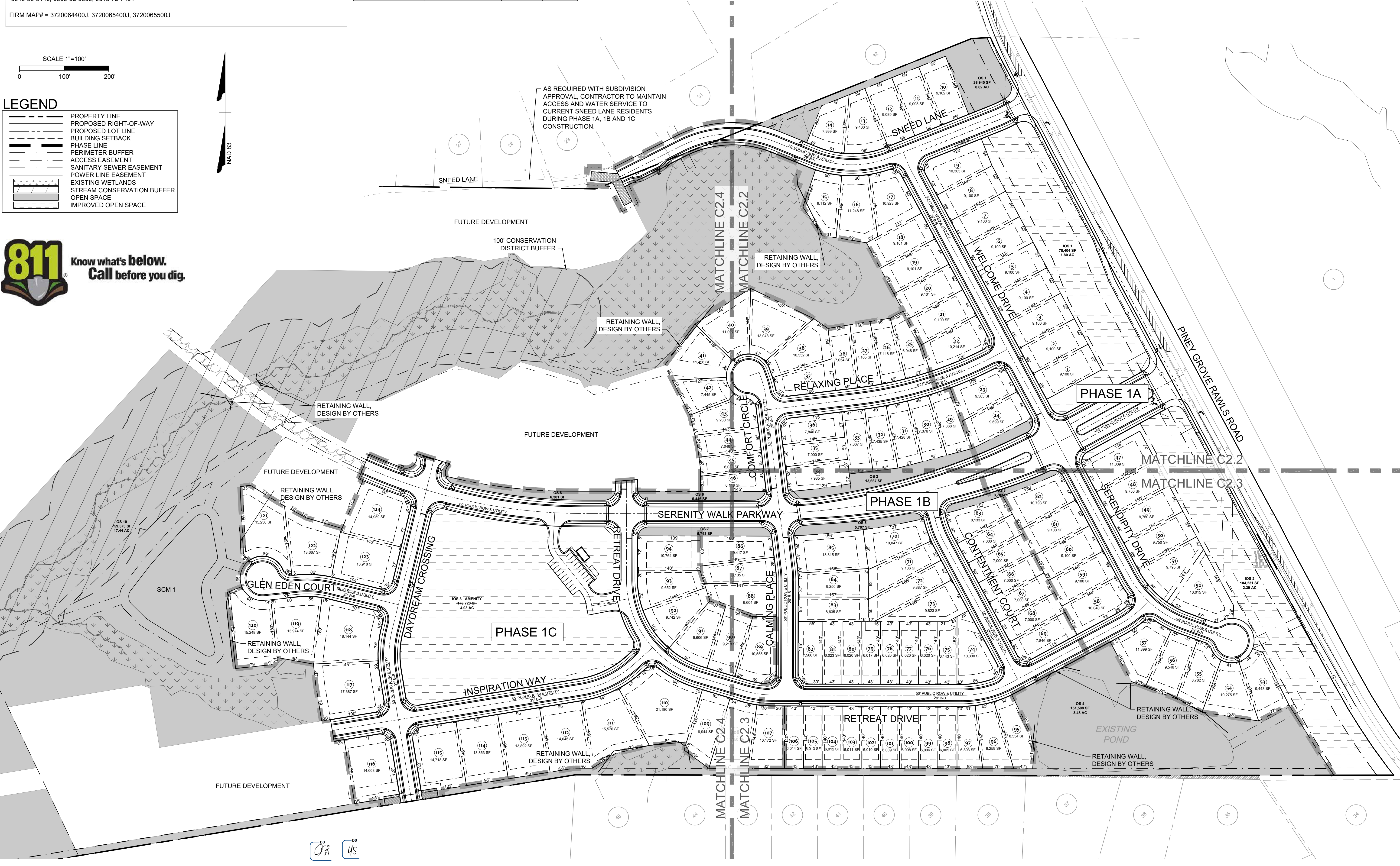


**LEGEND**

- PROPERTY LINE
- PROPOSED RIGHT-OF-WAY
- PROPOSED LOT LINE
- BUILDING SETBACK
- PHASE LINE
- PERIMETER BUFFER
- ACCESS EASEMENT
- SANITARY SEWER EASEMENT
- POWER LINE EASEMENT
- EXISTING WETLANDS
- STREAM CONSERVATION BUFFER
- OPEN SPACE
- IMPROVED OPEN SPACE



S:\331\41158-Piney Grove Assemblage DWG Sheet\CD\PHASE 1A\41158-C2.0-SITE PLAN.dwg | Plotted by Dave Balleine



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DATE	REVISION DESCRIPTION
10/11/2019 <td></td>	

CHECKED BY  
JFC

SCALE  
1" = 100'

# TIMMONS GROUP

NORTH CAROLINA LICENSE NO. C-1652  
**SERENITY PHASE 1A, 1B, & 1C**  
 PINEY GROVE RAWLS RD, HARRETT COUNTY, NORTH CAROLINA  
**OVERALL PHASE 1A, 1B & 1C SITE PLAN**

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**LEGEND**

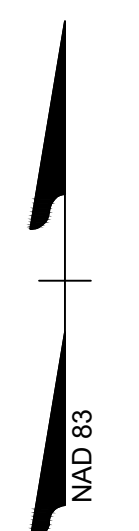
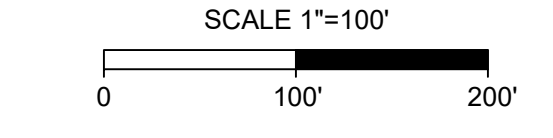
**SEWER**

- FM ——— FORCEMAIN
- SAN ——— SANITARY SEWER
- (S) ——— SANITARY MANHOLE

**WATER**

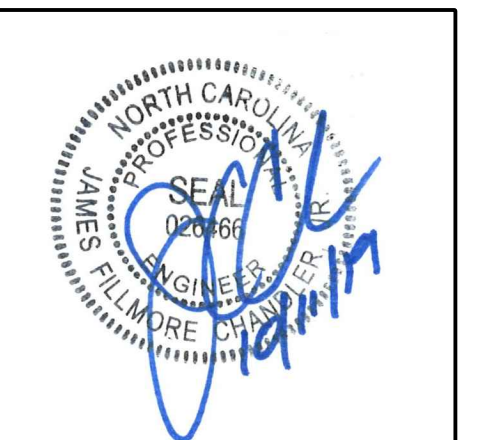
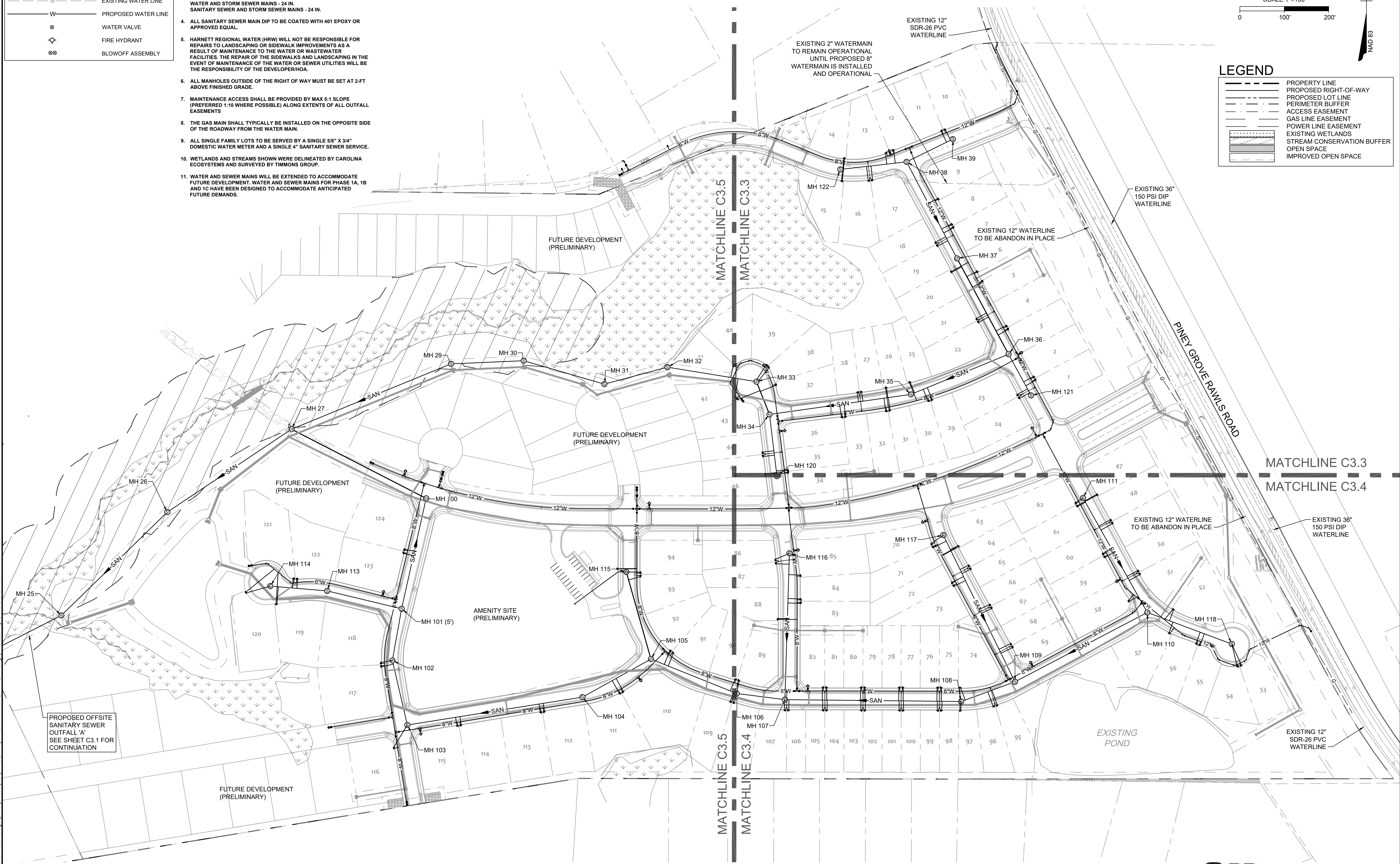
- W ——— EXISTING WATER LINE
- W ——— PROPOSED WATER LINE
- ⊕ ——— WATER VALVE
- ⊕ ——— FIRE HYDRANT
- ⊕ ——— BLOWOFF ASSEMBLY

- UTILITY NOTES:**
- ALL CONSTRUCTION SHALL BE IN ACCORDANCE WITH HARNETT COUNTY STANDARDS AND SPECIFICATIONS.
  - MINIMUM UTILITY HORIZONTAL SEPARATION DISTANCES:  
WATER AND SANITARY SEWER MAINS - 10 FT.  
WATER AND STORM SEWER MAINS - 5 FT.  
SANITARY SEWER AND STORM SEWER MAINS - 5 FT.  
GRAVITY SANITARY SEWER AND FORCE MAINS - 5 FT.
  - MINIMUM UTILITY VERTICAL SEPARATION DISTANCES:  
WATER AND SANITARY SEWER MAINS - 24 IN.  
WATER AND STORM SEWER MAINS - 24 IN.  
SANITARY SEWER AND STORM SEWER MAINS - 24 IN.
  - ALL SANITARY SEWER MAIN DIP TO BE COATED WITH 401 EPOXY OR APPROVED EQUAL.
  - HARNETT REGIONAL WATER (HRW) WILL NOT BE RESPONSIBLE FOR REPAIRS TO LANDSCAPING OR SIDEWALK IMPROVEMENTS AS A RESULT OF MAINTENANCE TO THE WATER OR WASTEWATER FACILITIES. THE REPAIR OF THE SIDEWALKS AND LANDSCAPING IN THE EVENT OF MAINTENANCE OF THE WATER OR SEWER UTILITIES WILL BE THE RESPONSIBILITY OF THE DEVELOPER/HOA.
  - ALL MANHOLES OUTSIDE OF THE RIGHT OF WAY MUST BE SET AT 2-FT ABOVE FINISHED GRADE.
  - MAINTENANCE ACCESS SHALL BE PROVIDED BY MAX 5:1 SLOPE (PREFERRED 1:10 WHERE POSSIBLE) ALONG EXTENTS OF ALL OUTFALL EASEMENTS
  - THE GAS MAIN SHALL TYPICALLY BE INSTALLED ON THE OPPOSITE SIDE OF THE ROADWAY FROM THE WATER MAIN.
  - ALL SINGLE FAMILY LOTS TO BE SERVED BY A SINGLE 5/8" X 3/4" DOMESTIC WATER METER AND A SINGLE 4" SANITARY SEWER SERVICE.
  - WETLANDS AND STREAMS SHOWN WERE DELINEATED BY CAROLINA ECOSYSTEMS AND SURVEYED BY TIMMONS GROUP.
  - WATER AND SEWER MAINS WILL BE EXTENDED TO ACCOMMODATE FUTURE DEVELOPMENT. WATER AND SEWER MAINS FOR PHASE 1A, 1B AND 1C HAVE BEEN DESIGNED TO ACCOMMODATE ANTICIPATED FUTURE DEMANDS.



**LEGEND**

- PROPERTY LINE
- - - PROPOSED RIGHT-OF-WAY
- PERIMETER BUFFER
- ACCESS EASEMENT
- GAS LINE EASEMENT
- POWER LINE EASEMENT
- EXISTING WETLANDS
- STREAM CONSERVATION BUFFER
- OPEN SPACE
- IMPROVED OPEN SPACE



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DRAWN BY	331
DESIGNED BY	331
CHECKED BY	JFC
SCALE	1" = 100'

**TIMMONS GROUP**  
 NORTH CAROLINA LICENSE NO. C-1652  
**SERENITY PHASE 1A, 1B, & 1C**  
 PINEY GROVE RAWLS RD., HARNETT COUNTY, NORTH CAROLINA  
**OVERALL UTILITY PLAN**

JOB NO.	41158
SHEET NO.	C3.0



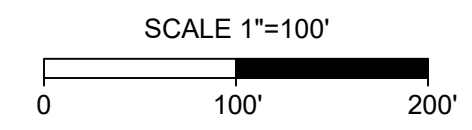
S:\331\41158-Piney Grove Assemblage\DWG\Sheet\CD\PHASE 1A\41158-C3.0-UTILITY PLAN.dwg | Plotted by Dave Ballentine

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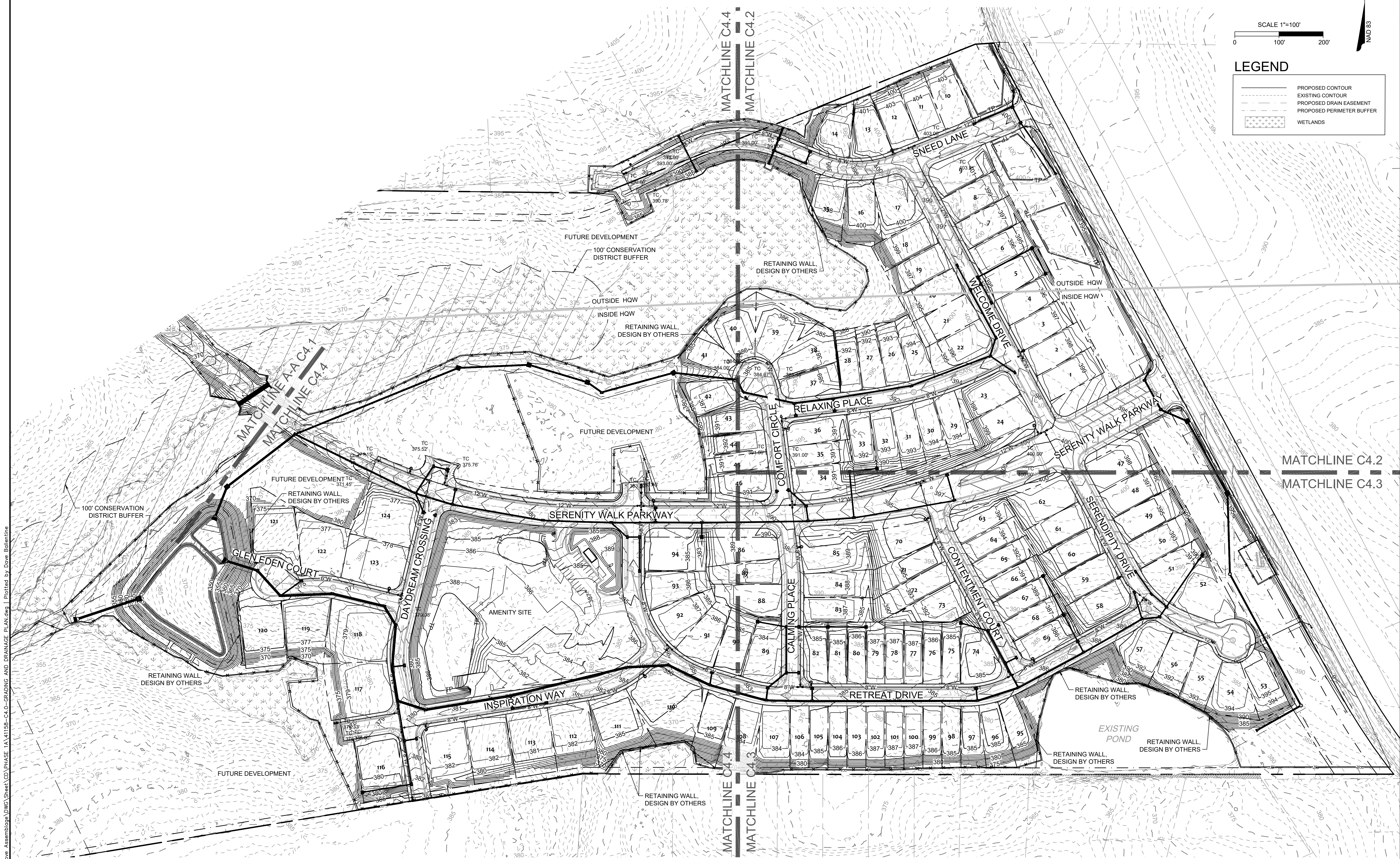
**GRADING NOTES:**

1. ALL FES MUST HAVE A NCDOT STAMP AND MUST BE INSPECTED BY THE NCDOT MATERIALS & TESTS UNIT.
2. ALL PUBLIC SANITARY SEWER EASEMENTS SHALL HAVE MAX. FINISHED GRADE SLOPE OF 5:1. ANY FILL PLACED WITHIN AN HRV EASEMENT SHALL BE FIELD TESTED/APPROVED BY THE OWNERS GEOTECHNICAL ENGINEER.



**LEGEND**

	PROPOSED CONTOUR
	EXISTING CONTOUR
	PROPOSED DRAIN EASEMENT
	PROPOSED PERIMETER BUFFER
	WETLANDS



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# TIMMONS GROUP

NORTH CAROLINA LICENSE NO. C-1652

## SERENITY PHASE 1A, 1B, & 1C

PINEY GROVE RAWLS RD., HARRNETT COUNTY, NORTH CAROLINA

### OVERALL GRADING AND DRAINAGE PLAN

JOB NO.	41158
SHEET NO.	C4.0



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