

DEVELOPMENT AGREEMENT
(Ridgecrest Commons Apartments, Conway, SC)

THIS DEVELOPMENT AGREEMENT (the “Agreement”) is made and entered into effective as of May 1, 2026 by and between WDM, L.L.C., an Alabama limited liability company (“Developer”), and Ridgecrest Commons Housing, LLLP, an Alabama limited liability limited partnership (the “Partnership”).

WITNESSETH:

WHEREAS, the Partnership has been formed for the purposes, inter alia, of acquiring, financing, owning, constructing, developing, maintaining, improving, operating, leasing, and selling or otherwise disposing of Ridgecrest Commons apartments located in the City of Conway, SC (the “Project”), all units of which Project (other than manager units) are intended to be rented and managed in order that the Project will qualify for low-income housing tax credits provided in Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”);

WHEREAS, in order to effectuate the purposes for which it has been formed, the Partnership has engaged the services of the Developer with respect to overseeing the development rehab construction improvements (the “Improvements”) of the Project for the Partnership; and

WHEREAS, the Developer is experienced in the development of low income multi-family housing projects pursuant to Section 42 of the Code; and

WHEREAS, the parties desire to memorialize their agreement with respect to the obligations of, and the services to be performed by the Developer.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Appointment. The Partnership hereby appoints the Developer to render services for the Partnership and confirms and ratifies the appointment of the Developer with respect to services rendered for the Partnership to date, in supervising and overseeing the development of the Improvements as herein contemplated.

2. Obligations of the Developer.

The Developer shall have the following duties, to the extent they have not already been performed:

2.a To perform a construction draw analysis relating to various financing alternatives for the construction of the Improvements;

2.b To assist, advise and consult on the selection of, and provide coordination and supervision of, the architect and engineer in connection with the preparation of, and any changes to, the site plan for the Improvements and the renderings, drawings and specifications for construction of Improvements (the "Plans and Specifications");

2.c To be cognizant of, and advise the Partnership with respect to, compliance with Section 42 of the Code and applicable state law tax credit requirements as such laws relate to the development and construction of the Improvements and to coordinate the services of professionals in connection therewith;

2.d To be cognizant of and advise the Partnership with respect to any and all laws, rules or regulations, city ordinances, including health and fire safety regulations, or any other requirements of law or governmental authorities applicable to the development and construction of the Improvements and to coordinate the services of professionals in connection therewith;

2.e To assist, coordinate and supervise the obtaining of all necessary permits and approvals for, and in connection with, the development and construction of the Improvements;

2.f To be cognizant of, and advise the Partnership with respect to, compliance with any and all obligations of the Partnership under any agreements with lenders or any governmental entities, which agreements have been executed by the Partnership in connection with approvals for and are applicable to the construction of the Improvements;

2.g To cooperate and coordinate with the general contractor appointed by the Partnership;

2.h To otherwise use commercial best efforts to coordinate, supervise, monitor and cause the development and construction of the Improvements on a timely basis and within the contemplated budget;

2.i To record the progress on all of the foregoing, and, as requested, submit written progress reports to the Partnership; and

2.j To maintain or cause to be maintained at its sole cost and expense all office and accounting facilities and equipment necessary to adequately perform all functions of Developer specified herein.

The Developer may retain the services of independent consultants, provided the Partnership shall have no responsibility to such independent parties, and the retention of any such consultants (i) shall be at the sole cost and expense of the Developer, and (ii) shall not relieve Developer of its obligations hereunder. Further, the Developer shall not be required to take any action which would require a contractor's license. The Developer shall be an independent contractor for all purposes hereof.

3. Development Fee.

In consideration of the performance by the Developer of the development services described herein, the Partnership shall pay to the Developer a development fee and a development overhead fee (altogether, the "Development Fee") in the amounts set forth on Exhibit A attached hereto. The Partnership and the Developer acknowledges that specific portions of the Development Fee shall be earned by Developer and payable by the Partnership as certain benchmarks are satisfied as more particularly described on Exhibit A, but in any event all of the Development Fee shall be earned by Developer upon the Completion Date, as defined in the amended and restated agreement of limited partnership of the Partnership to be entered into by and among the general partner of the Partnership and an investor as limited partner (the "Partnership Agreement"). The Development Fee shall be paid as set forth in the Partnership Agreement or otherwise upon the Completion Date.

4. Termination of Duties and Responsibilities of Developer.

The Developer shall have no further duties or obligations hereunder after receipt of a Certificate of Substantial Completion for the last building in the Project and completion of all punch list items. The Developer's duties, responsibilities and rights hereunder shall not be terminated by the Partnership except for "cause" as finally determined by a court of competent jurisdiction. For purposes hereof, "cause" shall mean gross neglect, fraud, dishonesty, reckless disregard for customary practices or intentional misconduct after at least 30 days prior notice and opportunity to cure.

5. Miscellaneous.

5.a This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned by any of the parties hereto without the written consent of the other party, except that the Developer may assign its rights but not its duties (unless otherwise consented to by the Partnership and its Limited Partner) under this Agreement.

5.b The descriptive paragraph headings of this Agreement are inserted for convenience only and are not intended to and shall not be construed to limit, enlarge, or affect the scope or intent of this Agreement nor the meaning of any provision hereof.

5.c This Agreement and the rights and obligations of the parties hereto shall be governed and construed and enforced in accordance with the laws of the State of Alabama.

5.d This Agreement embodies the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all prior agreements and understandings related to such subject matter, and it is agreed that there are no terms, understandings, representations, or warranties, express or implied, other than those set forth herein.

5.e This Agreement shall not be amended or modified in any respect without the prior written consent of each party hereto.

5.f No party hereto shall file or attempt to file this Agreement of record.

5.g This Agreement and the obligations of the Developer hereunder are solely for the benefit of the Partnership and no benefits to third parties are intended.

5.h In the event any provision hereof is deemed to be unenforceable or against public policy, then such provision shall be deemed omitted from this Agreement and to the extent possible such provision shall be replaced with an enforceable provision which corresponds with the spirit of the omitted provision, and no other provision of this Agreement shall be affected by such omission or unenforceability.

5.i The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

5.j All capitalized terms herein shall have the same meaning as set forth in the Partnership Agreement, except as otherwise expressly set forth herein.

6. Notice.

Any notice required to be given hereunder shall be in writing and mailed by certified mail, postage prepaid, or hand delivered with receipt of service simultaneously to all parties at the addresses set forth on Exhibit B attached hereto. Each party shall have the right to change its address for the receipt of notices, upon the giving of proper notice to all other parties hereto. Whenever a period of time is to be computed from the date of receipt of an item of certified mail, such period shall be computed from the fifth day following the date of mailing if delivery of the certified mail item is refused by the party to whom it was directed. Otherwise, such period shall be computed from the date of delivery.

7. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

8. Responsibilities of the Partnership.

In order for the Developer to perform duties described herein, the Partnership shall:

8.a Provide full information regarding its requirements for the Project;

8.b Designate a representative who shall be fully acquainted with the scope of the work and has authority to render decisions promptly and furnish information expeditiously; and,

8.c If the Partnership becomes aware of any fault or defect in the Project or nonconformance with any contract or other documents, it shall give prompt written notice thereof to the Developer.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Development Agreement on the date and year first above written.

DEVELOPER:

WDM, L.L.C.

By: W. David Morrow
W. David Morrow
Its Sole Member

PARTNERSHIP:

RIDGECREST COMMONS HOUSING, LLLP
By: Ridgecrest Commons GP, LLC, its General Partner

By: W. David Morrow
W. David Morrow
President of General Partner

EXHIBIT A

Development Fee Amount

The Partnership agrees to pay Developer a fee in the amount equal to 15% of total budgeted Project costs (exclusive of developer fees) but not exceeding either (i) the amount permitted to be paid under the Partnership Agreement to which investor limited partner is a party or (ii) the amount permitted by the South Carolina State Housing Finance & Development Authority to be paid. The fee shall be earned by the Developer in the following percentages upon achievement of the following milestones as follows:

<u>Task</u>	<u>Percent of Fee Earned</u>
Completion of project plan as part of	
Tax Credit application	15%
Receipt of tax credit reservation	15%
Construction Contract Negotiation	15%
Construction Loan Commitment	15%
Construction Loan Closing	15%
Construction Completion	<u>25%</u>
Total	100%

As Project reaches each milestone outlined above, the noted percentage of development fee is earned by Developer. The Partnership shall pay the Developer the earned development fee in the manner provided in the Partnership Agreement or otherwise upon funding of the permanent loan for the Project, subject to receipt of any required authorization of the South Carolina State Housing Finance & Development Authority and Lender and prior payment of all other Project expenses; provided that in the event any such amount is deferred due to payment of other Project expenses, it shall be paid as soon as possible from cash flow unless otherwise provided in the Partnership Agreement.

EXHIBIT B

Notices

Any notice required to be given hereunder shall be in writing and mailed by certified mail, postage prepaid, or hand delivered with receipt of service simultaneously to all parties at the addresses set forth below:

If to the Developer, to:

WDM, L.L.C.
Attn: David Morrow
809 22nd Avenue
Tuscaloosa, AL 35401

If to the Partnership, to:

Ridgecrest Commons Housing, LLLP
Attn: David Morrow
809 22nd Avenue
Tuscaloosa, AL 35401