

PARKSIDE COMMONS
Dillon, South Carolina

DEVELOPMENT AGREEMENT

THIS AGREEMENT is made and entered into as of April 20, 2026, between Parkside Commons, LP, a South Carolina limited partnership (the "Partnership"), and Connelly Development, LLC as developer, (referred to herein as the "Developer").

WHEREAS, the Partnership is governed by its Agreement of Limited Partnership dated as of April 20, 2026 (the "Partnership Agreement"); and

WHEREAS, the partnership has been formed to develop, construct, own, maintain and operate a 48-unit multifamily apartment complex intended for rental to persons of low and moderate income, to be known as Parkside Commons, and to be located in Dillon, South Carolina (the "Apartment Complex"); and

WHEREAS, Parkside One, LLC is the general partner in the Partnership; and

WHEREAS, the Partnership desires to appoint the Developer to provide certain services for the Partnership with respect to overseeing the development of the Apartment Complex until all development work is completed; and

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises of the parties hereto and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed 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 Apartment Complex as herein contemplated.

2. Authority. In conformity with the provisions of the Partnership Agreement, the Developer shall have, and has had, the authority and the obligation to:

- (a) select the architect ("Architect"), coordinate the preparation of the plans and specifications ("Plans and Spec's") and recommend alternative solutions whenever design details affect construction feasibility or schedules;
- (b) insure that the plans and specifications ("Plans and Spec's") are in compliance with all applicable codes; laws, ordinances, rules and regulations;
- (c) negotiate all necessary contracts and subcontracts (other than the construction contract) for the construction of the Apartment Complex;

- (d) choose the products and materials necessary to equip the Apartment Complex in a manner which satisfies all requirements of the loan documents and the Plans and Specs;
- (e) monitor disbursement and payment of amounts owed Architects and the sub-contractors;
- (f) insure that the Apartment Complex is constructed free and clear of all mechanics' and materialmen's liens;
- (g) obtain an Architect's certificate that the work on the Apartment Complex is substantially complete and inspect the Architect's work;
- (h) secure all building code approvals and obtain certificates of occupancy for all of the residential units of the Apartment Complex;
- (i) cause the Apartment Complex to be completed in a prompt and expeditious manner, consistent with good workmanship, and in compliance with the following:
 - (1) the Plans and Specs as they may be amended by the agreement of the parties hereto and with the consent of the mortgagee under the Loan; and
 - (2) any and all zoning regulations, county ordinances, including health, fire and safety regulations, and any other requirements of federal, state and local laws, rules, regulations and ordinances applicable to construction of the Apartment Complex;
- (j) cause to be performed in a diligent and efficient manner the following:
 - (1) construction of the Apartment Complex pursuant to the Plans and Specs, including any required off-site work; and
 - (2) general administration and supervision of construction of the Apartment Complex, including but not limited to activities of subcontractors and their employees and agents, and others employed as to the Apartment Complex in a manner which complies in all respects with the Loan and the Plans and Specs;
- (k) keep, or cause to be kept, accounts and cost records as to the construction of the Apartment Complex;
- (l) maintain, or cause to be maintained, at its expense, all office and accounting facilities and equipment necessary to adequately perform the foregoing functions;
- (m) make available to the Partnership, during normal business hours and upon the Partnership's written request, copies of all material contracts and subcontracts;

- (n) deliver to the Partnership a dimensioned as-built survey of the real property (locating only buildings) and as-built drawings of the Apartment Complex construction;
- (o) provide and periodically update an Apartment Complex construction time schedule which coordinates and integrates Architect's services with construction schedules;
- (p) investigate and recommend a schedule for purchase by the Partnership of all materials and equipment requiring long lead time procurement, coordinate the schedule with Architect and expedite and coordinate delivery of such purchases;
- (q) prepare pre-qualification criteria for bidders interested in the Apartment Complex, establish bidding schedules and conduct pre-bid conferences to familiarize bidders with the bidding documents and management techniques with any special systems, materials or methods;
- (r) receive bids, prepare bid analyses and make recommendations to the Partnership for award of contracts or rejection of bids;
- (s) coordinate the work of Architect to complete the Apartment Complex in accordance with the objectives as to cost, time and quality, and provide sufficient personnel at the Apartment Complex with authority to achieve such objectives;
- (t) provide a detailed schedule of realistic activity sequences and durations, allocation of labor and materials and processing of shop drawings and samples;
- (u) provide regular monitoring of the schedule as construction progresses, identify potential variances between scheduled and probable completion dates, review the schedule for work not started or incomplete, recommend to the Partnership adjustments in the schedule to meet the probable completion date, provide summary reports of such monitoring, and document all changes in the schedule;
- (v) recommend courses of action to the Partnership when requirements of subcontracts are not being fulfilled;
- (w) revise and refine the approved estimate of construction cost, incorporate changes as they occur, and develop cash flow reports and forecasts as needed;
- (x) provide regular monitoring of the approved estimate of construction cost, show actual costs for activities in process and estimate for uncompleted tasks, identify variances between actual and budgeted or estimated costs and advise the Partnership whenever projected Costs exceed budgets or estimates;
- (y) and implement a system for review and processing of change orders as to construction of the Apartment Complex;

(z) develop and implement a procedure for the review and processing of applications by subcontractors for progress and final payments;

(aa) in collaboration with Architect, establish and implement procedures for expediting the processing and approval of shop drawings and samples; and

(bb) record the progress of the Apartment Complex and submit written progress reports to the Partnership and Architect, including the percentage of completion and the number and amounts of change orders.

3. Development Fee

(a) For services performed and to be performed under Sections 1 and 2 of this Agreement, the Partnership shall pay the Developer a Development Fee, including overhead, as its compensation for the performance of its services under and in connection with this Agreement. Payment of the Development Fee shall be subject to the terms and conditions of the partnership agreement. The Development Fee, including overhead shall be distributed as follows: 100% to Connelly Development, LLC paid as Developer Fee is paid.

(b) Notwithstanding the timing of the payment of the capital contributions of the investor, in any event the Partnership shall pay the entire earned and accrued amount of the Development Fee within ten (10) years from the date of this Agreement.

(c) For those services performed on or before December 31, 2026 as set forth in Section 2 hereof, twenty (20%) percent of the Development Fee shall be deemed earned as of such date.

4. Withholding of Fee Payments. If (a) the Developer shall not have substantially complied with any material provisions under this Agreement and the Partnership Agreement, or (b) any financing commitment of the construction lender, the lender or any other lender, or any agreement entered into by the Partnership for financing related to the Apartment Complex shall have terminated prior to its respective termination date(s), or (c) foreclosure proceedings shall have been commenced against the Apartment Complex, then the Developer shall be in default of this Agreement, and the partnership shall withhold payment of any installment of the fee payable to the Developer pursuant to Section 3 of this Agreement. All amounts so withheld by the partnership under this Section 4 shall be promptly released to the Developer only after the Developer has cured the default justifying the withholding, as demonstrated by evidence reasonably acceptable to the investment limited partner.

5. Construction Warranty.

(a) The Developer hereby warrants to the Partnership and to the investor limited partner that the materials and equipment furnished in accordance with this Agreement will be of good quality, that the work will be free from defects, and that the work will conform with the requirements of the Plans and Specs. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered

defective. If requested by the investor limited partner or the quality of materials and equipment used in the construction of the Apartment Complex.

- (b) If, within one (1) year after Substantial completion, any of the structural or non-structural work performed to construct the Apartment Complex is found to be materially defective or not in accordance in all material respects with the Plans and Specs and with all applicable building codes, laws, rules and regulations, the Developer shall correct or cause the contractor to correct such defect(s) promptly after receipt of written notice from the partnership or the investor limited partner to do so. With respect to portions of the work first performed after substantial completion, such one (1) year period shall be extended by the period of time between the date of substantial completion and the actual performance of the work. The obligation under this Section shall survive acceptance of the work performed to construct the Apartment Complex. The Partnership shall give such investor limited partners notice promptly after discovery of the condition. If a material defect is discovered more than one (1) year after the date of substantial completion, as such period may be extended under this Section, and such defect was known to the Developer or an affiliate of the Developer and was not disclosed to the Partnership and the investor limited partner or was intentionally concealed by the Developer or such affiliate, then the Developer shall promptly take such action as may be necessary, at the Developer's sole expense, to correct such defective work to the satisfaction of the investor limited partner. The Partnership or the investor limited partner, as applicable, shall report to the Developer any defective condition discovered more than one (1) year after the date of substantial completion, as such period may be extended under this Section.

6. Successors and Assigns. This Agreement shall be binding on the parties hereto, their heirs, successors and assigns, however, this Agreement may not be assigned by any party hereto without the consent of the general partner(s), nor may it be terminated without the consent of the general partner(s).

7. Termination. If the Developer ceases to work, or is removed by the general partner(s), withdraws from the Partnership for any reason whatsoever, including the removal of the Developer, this Agreement shall terminate effective on the date of such withdrawal (an "Early Termination") unless the Partnership and the investor limited partner otherwise elect in writing. If an Early Termination occurs prior to the date on which all of the Apartment Complex has been placed-in-service, then Developer shall not be entitled to any payments of the Development Fee and the Developer shall forfeit as additional damages any Development Fee, which has been earned but not paid as of the date of such Early Termination. If an Early Termination occurs on or after the date on which all of the Apartment Complex has been placed-in-service, the Developer shall be entitled to exercise any remedies available to them at law or in equity, including any remedies in connection with any lien, pledge or right of offset available to them with respect to the repayment of Development Fees. If an Early Termination occurs, the Developer shall remain liable for all damages, liabilities and claims ("Claims") arising under or in connection with this Agreement which are based on acts or omissions prior to the date of such termination, including claims which do not become manifest until after the date of such termination. The Developer shall have no right to terminate this Agreement without the consent of the Partnership and the investor limited partner,

which consent may be withheld in the sole discretion of either party.

8. No Lien Filings. The Developer hereby represents, warrants and covenants that neither it nor its Affiliates shall file a mechanic's lien, materialman's lien or other lien against the Apartment Complex or any other assets of the partnership, and hereby waives and releases any right it may have or may hereafter acquire to file such lien against the Apartment Complex or any other assets of the Partnership. The Developer shall indemnify and hold harmless the Partnership and the investor limited partner from any losses, damages, and/or liabilities, to or as a result of a breach of this provision.

9. Separability of Provisions. Each provision of this Agreement shall be considered separable and if for any reason any provision which is not essential to the effectuation of the basic purposes of this Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement which are valid.

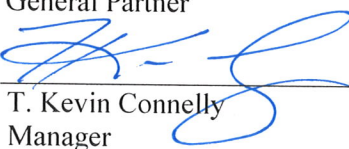
10. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all the parties shall not have signed the same counterpart.

11. No Continuing Waiver. 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.

12. Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina.

IN WITNESS WHEREOF, the parties have caused this Development Agreement to be duly executed as of the date first written above.

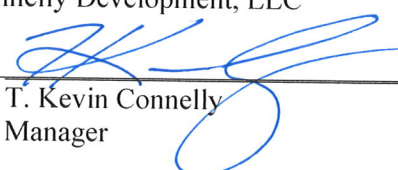
Parkside Commons, LP
by: Parkside One, LLC
its: General Partner

by: 

T. Kevin Connelly

its: Manager

Connelly Development, LLC

by: 

T. Kevin Connelly

its: Manager