DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "***Agreement***") is made and entered into as of the 18 day of May, 2026, by and between RIVERBEND TRACE LLC, a South Carolina limited liability company (the "***Company***"), and TAFT-MILLS GROUP, LLC, a North Carolina limited liability company ("***Developer***").

RECITALS:

WHEREAS, the Company has been formed to develop, construct, own, maintain and operate a 60-unit multifamily apartment complex intended for rental to low and moderate income tenants (the "***Project***"), to be known as Riverbend Trace and to be located in Orangeburg, Orangeburg County, South Carolina; and

WHEREAS, the Company desires to appoint the Developer to provide certain services for the Company with respect to overseeing the development of the Project until all development work is completed;

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 Company hereby appoints the Developer to render services to the Company, and confirms and ratifies the appointment of the Developer with respect to services rendered for the Company to date, in supervising and overseeing the development of the Project as herein contemplated.

2. **Authority.** The Developer shall have the authority and the obligation to perform the services described in Paragraphs 3, 4, 5 and 6 below (the "***Development Services***"). Developer's services shall be performed in the name of and on behalf of the Company.

3. **Determination of Project Size, Structure and Composition.** The Developer shall perform all of the following services:

(a) Conduct a preliminary market study.

(b) Negotiate with, select, and hire a housing marketing analyst to conduct an independent market study for the proposed development, if required by the Company.

(c) Determine the number of units in the Project and their size.

(d) Determine the appropriate unit mix and amenities.

(e) Identify potential sources of construction financing.

(f) Analyze competitiveness of Project against others in the market area.

(g) Make preliminary estimates of Project costs and determine Project feasibility.

(h) Prepare and submit to the Company all information and documentation necessary to obtain a reservation for low income housing tax credits to the extent related to the services otherwise provided pursuant to this Agreement including, without limitation, information and documentation related to Project description, Project costs, unit mix, amenities, construction financing and developer experience.

4. <u>Pre-Construction</u>. The Developer shall perform all of the following services:

(a) Prepare or obtain an environmental impact assessment of the proposed development.

(b) Choose the products and materials necessary to equip the Project in a manner consistent with its intended use.

(c) If appropriate, prepare pre-qualification criteria for bidders interested in the Project, 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.

(d) Secure all necessary land use approvals.

(e) Select the architect ("***Architect***") and other professional advisors.

(f) Negotiate and cause to be executed in the name of the Company, agreements for architectural, engineering, testing or consulting services for the Project.

(g) Negotiate and determine the terms of construction financing.

(h) Prepare a preliminary critical path schedule.

5. <u>Plans and Specifications</u>. The Developer shall perform the following services:

(a) Coordinate the preparation of the plans and specifications (the "***Plans and Specs***") and recommend alternative solutions whenever design details affect construction feasibility or schedules.

(b) Ensure that the Plans and Specs are in compliance with all applicable codes, laws, ordinances, rules and regulations.

(c) In collaboration with the Architect, establish and implement procedures for expediting the processing and approval of shop drawings and samples.

6. **Construction Services.** The Developer shall perform the following services:

(a) Establish and implement appropriate administrative and financial controls for the construction of the Project, including, but not limited to:

(i) Coordination and administration of the Architect or engineer, the general contractor and other contractors, professionals and consultants employed in connection with the construction or rehabilitation of the Project;

(ii) Administration of any construction contracts on behalf of the Company;

(iii) Participation in conferences and the rendering of such advice and assistance as will aid in developing economical, efficient and desirable design and construction procedures;

(iv) The rendering of advice and recommendations as to the selection procedures for and selection of subcontractors and suppliers;

(v) The submission of any suggestions or requests for changes which could in any reasonable manner improve the design, efficiency or cost of the Project;

(vi) Applying for and maintaining in full force and effect any and all governmental permits and approvals required for the lawful construction of the Project;

(vii) Compliance with all terms and conditions applicable to Company or the Project contained in any governmental permit or approval required or obtained for the lawful construction of the Project, or in any insurance policy affecting or covering the Project, or in any surety bond obtained in connection with the Project;

(viii) Furnishing such consultation and advice relating to the Project as may be reasonably required;

(ix) Keeping the Company fully informed on a regular basis of the progress of the design and construction of the Project, including the preparation of such reports as are provided for herein or as may reasonably be requested; and

(x) Giving or making Company's instructions, requirements, approvals and payments provided for in the agreements with the Architect, general contractor, and other contractors, professionals and consultants retained for the Project.

(b) Cause construction of the Project to be performed in a diligent and efficient manner including:

(i) Obtain required building permits;

(ii) Ensuring all construction is consistent with the Plans and Specs, including any required off-site work;

(iii) General administration and supervision of construction of the Project, including but not limited to activities of subcontractors and their employees and agents, and others employed by the Project in a manner which complies in all respects with the Plans and Specs;

(iv) Compliance with 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 Project; and

(v) Insuring that the Project is constructed free and clear of all mechanics' and materialmen's liens.

(c) Receive bids, prepare bid analysis and make recommendations to the Company for award of contracts or rejection of bids.

(d) Investigate and recommend a schedule for purchase by the Company of all materials and equipment requiring long lead time procurement.

(e) Coordinate schedule with Architect and expedite and coordinate delivery of purchases.

(f) Develop and implement a procedure for the review and processing of applications by subcontractors for progress and final payments and monitor disbursement and payment of amounts owed Architects and the subcontractors.

(g) Record the progress of the Project and submit written progress reports to the Company and Architect, including the percentage of completion and the number and amounts of change orders.

(h) Keep, or cause to be kept, accounts and cost records as to the construction of the Project; assemble and retain all contracts, agreements and other records and data as may be necessary to carry out Developer's functions hereunder.

(i) Make available to the Company, during normal business hours and upon the Company's written request, copies of all material contracts and subcontracts.

(j) Provide, and periodically update, Project construction time schedule which coordinates and integrates Architect's services with construction schedules.

(k) Coordinate the work of Architect to complete the Project in accordance with the objectives as to cost, time and quality, and provide sufficient personnel at the Project with authority to achieve such objectives.

(l) Provide a detailed schedule of realistic activity sequences and durations, allocation of labor and materials and processing of shop drawings and samples.

(m) 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 Company adjustments in the schedule to meet the probable completion date, provide summary reports of such monitoring, and document all changes in the schedule.

(n) Recommend courses of action to the Company when requirements of subcontracts are not being fulfilled.

(o) Revise and refine the approved estimate of construction cost, incorporate changes as they occur, and develop cash flow reports and forecasts as needed.

(p) Provide regular monitoring of the approved estimate of construction costs, show actual costs for activities in process and estimates for uncompleted tasks, identify variances between actual and budgeted or estimated costs and advise the Company whenever projected costs exceed budgets or estimates.

(q) Develop and implement a system for review and processing of change orders as to construction of the Project.

(r) Deliver to the Company a dimensioned as-built survey of the real property (locating only buildings) and as-built drawings of the Project construction.

(s) Obtain an Architect's certificate that the work on the Project is substantially complete, and inspect the Architect's work.

(t) Obtain certificates of occupancy for all of the residential units of the Project.

(u) Take all other actions necessary to provide the Company with a facility ready for lease to tenants.

(v) Maintain, or cause to be maintained, at its expense, all office and accounting facilities and equipment necessary to adequately perform the foregoing functions.

7. **Excluded Services.** The Developer shall not be required to perform any of the following services pursuant to this Agreement and, if any such services are performed with the consent of the Company, shall be separately compensated therefore as the parties may mutually agree:

(a) Locate, evaluate the suitability of, negotiate the purchase or lease of, or arrange the financing for the land on which the Project is to be located.

(b) Arrange, or negotiate the terms and conditions of, the permanent financing.

(c) Arrange, or negotiate the terms and conditions of, the capital contributions of an investor member in the Company.

(d) Perform or assist in the marketing or leasing of units in the Project.

Notwithstanding the foregoing, the Developer shall be obligated to provide information to the Company (in the form requested by the Company) regarding budgets, cost estimates, the status of the construction and the accomplishment of its duties hereunder, and any other information to the extent necessary or helpful to assist the Company or a person retained by it in performing such excluded services.

8. Development Fee. In consideration of the Development Services provided by the Developer, Owner shall pay the Developer a sum total equal to the maximum amount of developer fee allowed by the South Carolina State Housing Finance and Development Authority (the "Agency") consistent with its applicable multi-family underwriting standards or as may otherwise be agreed upon by the Parties (the "Development Fee") as full payment for the performance of all of the Development Services. The Development Fee includes payment for all of Developer's overhead in connection with the Development Services. Owner and Developer acknowledge that Developer has spent a significant amount of time providing services related to the construction of the Project prior to the date hereof and that the success of the Project to date is largely due to the efforts and services of Developer. The Parties hereby acknowledge and Agree that, a certain percentage of the Development Fee to be agreed upon by the Parties will be earned by Developer prior to construction loan closing for the services Developer will provide prior to that date hereof including, without limitation, preparing an architectural program for the Project, negotiating construction, architect and engineering contracts, reviewing bids, attending construction-related meetings, preparing preliminary construction budgets and schedules, coordinating architectural and construction services and obtaining a construction loan commitment for the Project. The remaining portion of the Development Fee shall be earned pro rata during construction of the Project. In all events, the Development Fee shall be earned in its entirety as of the date the Project is placed in service for purposes of Section 42 of the Code. The Development Fee shall be payable pursuant to a mutually agreeable schedule as set forth in Owner's operating agreement.

9. Reimbursement of Company Expenses. In addition to the Development Fee payable herein, the Developer shall receive reimbursement from the Company for any costs, fees or expenses paid to third parties and incurred in connection with the construction and development of the Project, including, without limitation of the generality of the foregoing, payments to any third party contractor for construction, engineering, appraisal market study, surveying or similar services and payments of any cash escrows or letters of credit, attorneys' fees, accountants' fees, or other consulting fees incurred in connection with the Project.

10. **Fee Unconditional.** It is expressly understood and agreed by the parties hereto that the Development Fee and the reimbursement of costs incurred by the Developer in connection with the development of the Project shall be payable without regard to the income or profits of the Company.

11. **Successors and Assigns.** This Agreement shall be binding on the parties hereto, their successors, and assigns. Notwithstanding the foregoing, this Agreement may not be assigned by any party hereto without the consent of the other parties hereto, which consent shall not be unreasonably withheld.

12. **Severability.** If any one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable, the remaining provisions of this Agreement shall remain unimpaired and shall continue in full force and effect.

13. **Counterparts.** This Agreement may be executed in two or more 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.

14. **No Continuing Waiver.** The waiver by any party or any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

15. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter as of the date hereof and supersedes all prior understandings, representations, proposals, discussions and negotiations whatsoever, whether oral or written, between the parties hereto.

16. **Enforceability**. Notwithstanding anything to the contrary in this Agreement, this Agreement shall be null and void in the event that the Agency does not issue a reservation of low-income housing tax credits for the Project by October 31, 2026.

[SEPARATE SIGNATURE PAGE FOLLOWS]

SEPARATE SIGNATURE PAGE
TO DEVELOPMENT AGREEMENT

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

COMPANY:

RIVERBEND TRACE LLC
a South Carolina limited liability company

By: Riverbend Trace MM LLC
a South Carolina limited liability company
Its: Managing Member

By: Taft-Mills Group, LLC
a North Carolina limited liability company
Its: Sole Member and Manager

By: Frankie Cash-Langley [SEAL]
Frankie Cash-Langley, Authorized Signatory

DEVELOPER:

TAFT-MILLS GROUP, LLC
a North Carolina limited liability company

By: _____
Dustin T. Mills, Manager