DEVELOPMENT AGREEMENT
(Market Place Apartments)

THIS DEVELOPMENT AGREEMENT (this "Agreement") is made as of May 6, 2026, between MARKET PLACE 2026 L.L.C., a Michigan limited liability company (the "Company"), and AMERICAN COMMUNITY DEVELOPERS, INC., a Michigan corporation (the "Developer").

Recitals

WHEREAS, the Company was formed to acquire, rehabilitate, develop, improve, maintain, own, operate, lease, dispose of and otherwise deal with an apartment project located in Rock Hill, South Carolina, known as Market Place Apartments (the "Property");

WHEREAS, the Property, following the completion of rehabilitation, is expected to constitute a "qualified low-income housing project" (as defined in Section 42(g)(1) of the Code);

WHEREAS, the Developer has provided and will continue to provide certain services with respect to the Property during the acquisition, development, rehabilitation and initial operating phases thereof;

WHEREAS, in consideration for such services, the Company has agreed to pay to the Developer certain fees computed in the manner stated herein;

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Operating Agreement of the Company dated as of February 17, 2026 (the "Operating Agreement").

NOW, THEREFORE, in consideration of the recitals, covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties agree as follows:

Section 1. Development Services.

(a) The Developer has performed certain services relating to the acquisition and development of the Property and shall oversee the development and rehabilitation of the Property, and shall perform the services and carry out the responsibilities with respect to the Property as are set forth herein, and such additional duties and responsibilities as are reasonably within the general scope of such services and responsibilities and are designated from time to time by the Company.

(b) The Developer's services shall be performed in the name and on behalf of the Company and shall consist of the duties set forth in subparagraphs (i)-(xiii) below of this Section 1(b) and as provided elsewhere in this Agreement; provided, however, that if the performance of any duty of the Developer set forth in this Agreement is beyond the reasonable control of the Developer, the Developer shall nonetheless be obligated to (1) use its best efforts to perform such duty and (2) promptly notify the Company that the performance of such duty is beyond its reasonable control. The Developer has performed or shall perform the following:

(i) Negotiate and cause to be executed in the name and on behalf of the Company any agreements for architectural, engineering, testing or consulting services for the Property, and any agreements for the rehabilitation of any improvements or tenant improvements to be constructed or installed by the Company, and the furnishing of any supplies, materials, machinery or equipment therefor, and any amendments thereof, provided that no agreement shall be executed nor binding commitment made until the terms and conditions thereof and the party with whom the agreement is made have been approved by the Managing Member unless the terms, conditions, and parties comply with guidelines issued by the Managing Member concerning such agreements.

(ii) Assist the Company in identifying sources of construction financing for the Property and negotiate the terms of such financing with lenders.

(iii) Establish and implement appropriate administrative and financial controls for the design and rehabilitation of the Property, including but not limited to:

(A) coordination and administration of the Property architect, the general contractor, and other contractors, professionals and consultants employed in connection with the design or rehabilitation of the Property;

(B) administration of any construction contracts on behalf of the Company;

(C) participation in conferences and the rendering of such advice and assistance as will aid in developing economical, efficient and desirable design and rehabilitation procedures;

(D) the rendering of advice and recommendations as to the selection of subcontractors and suppliers;

(E) the review and submission to the Company for approval of all requests for payments under any architectural agreement, general contractor's agreement, or any loan agreements with any lending institutions providing funds for the benefit of the Company for the design or rehabilitation of any improvements;

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

(G) applying for and maintaining in full force and effect any and all governmental permits and approvals required for the lawful rehabilitation of the Property;

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

(I) furnishing such consultation and advice relating to the Property as may be reasonably requested from time to time by the Company;

(J) keeping the Company fully informed on a regular basis of the progress of the design and rehabilitation of the Property, including the preparation of such reports as are provided for herein or as may reasonably be requested by the Company and which are of a nature generally requested or expected of construction managers or similar owner's representatives on similar projects;

(K) giving or making the Company's instructions, requirements, approvals and payments provided for in the agreements with the Property architect, general contractor, and other contractors, professionals and consultants retained for the Property; and

(L) at the Company's expense, filing on behalf of and as the attorney-in-fact for the Company any notices of completion required or permitted to be filed upon the completion of any improvement(s) and taking such actions as may be required to obtain any certificates of occupancy or equivalent documents required to permit the occupancy of the Property.

(iv) Inspect the progress of the course of rehabilitation of the Property, including verification of the materials and labor being furnished to and on such rehabilitation so as to be fully competent to approve or disapprove requests for payment made by the Property architect and the general contractor, or by any other parties with respect to the design or rehabilitation of the Property.

(v) If requested to do so by the Company, perform on behalf of the Company all obligations of the Company with respect to the design or rehabilitation of the Property contained in any loan agreement or security agreement in connection with the Property, or in any lease or rental agreement relating to space in the Property, or in any agreement entered into with any governmental body or agency relating to the terms and conditions of such rehabilitation, provided that copies of such agreements have been provided by the Company to the Developer or the Company has otherwise notified the Developer in writing of such obligations.

(vi) To the extent requested to do so by the Company, prepare and distribute to the Company a critical path schedule, and periodic updates thereto as necessary to reflect any material changes, but in any event not less frequently than quarterly, other design or rehabilitation cost estimates as required by the Company, and financial accounting reports, including monthly progress reports on the quality, progress and cost of rehabilitation and recommendations as to the drawing of funds from any loans arranged by the Company to cover the cost of design and rehabilitation of the Property, or as to the providing of additional capital contributions should such loan funds for any reason be unavailable or inadequate.

(vii) At the Company's expense, obtain and maintain insurance coverage for the Property, the Company, the Management Agent, and the Developer and its employees, at

all times until final completion of rehabilitation of the Property, in accordance with an insurance schedule approved by the Company, which insurance shall include general public liability insurance covering claims for personal injury, including but not limited to bodily injury, or property damage, occurring in or upon the Property or the streets, passageways, curbs and vaults adjoining the Property. Such insurance shall be in a liability amount approved by the Company.

(viii) Assemble and retain all contracts, agreements and other records and data as may be necessary to carry out the Developer's functions hereunder. Without limiting the foregoing, the Developer will prepare, accumulate and furnish to the Company and the appropriate governmental authorities, as necessary, data and information sufficient to identify the market value of improvements in place as of each real property tax lien date, and will take application for appropriate exclusions from the capital costs of the Property for purposes of real property ad valorem taxes.

(ix) Coordinate and administer the design and rehabilitation of all interior tenant improvements to the extent required under any leases or other occupancy agreements to be constructed or furnished by the Company with respect to the initial leasing of space in the Property, whether involving building standard or non-building standard work.

(x) Use its best efforts to accomplish the timely completion of the Property in accordance with the approved plans and specifications and the time schedules for such completion approved by the Company.

(xi) At the direction of the Company, implement any decisions of the Company, made in connection with the design, development and rehabilitation of the Property or any policies and procedures relating thereto, exclusive of leasing activities.

(xii) Perform and administer any and all other services and responsibilities of the Developer which are set forth in any other provisions of this Agreement, or which are requested to be performed by the Company and are within the general scope of the services described herein. The Developer shall not perform the following activities or services, which shall be the sole responsibility of the Managing Member on behalf of the Company: (1) site identification, acquisition or feasibility analyses, (2) obtaining federal low income tax credits, (3) identifying potential investor members or negotiating the terms and conditions related to such investor members' investment in the Company, or (4) identifying potential lenders of permanent financing for the project, securing permanent loan commitments or negotiating the terms and conditions of permanent loans for the Property.

(xiii) Acquire the Property and perform the following services in connection with the Company's acquisition: (1) negotiate and enter into a purchase agreement for the acquisition of the Property; (2) obtain a title insurance commitment, survey and Phase I Environmental Report of the real property upon which the Property is located; (3) satisfy all conditions for closing under the purchase agreement; and (4) close the acquisition of the Property under the terms and conditions of the purchase agreement.

Section 2. <u>Limitations and Restrictions</u>.

Notwithstanding any provisions of this Agreement, the Developer shall not take any action, expend any sum, make any decision, give any consent, approval or authorization, or incur any obligation with respect to any of the following matters unless and until the same has been approved by the Company:

(a) Approval of all construction and architectural contracts and all architectural plans, specifications and drawings prior to the rehabilitation and/or alteration of any improvements contemplated thereby, except for such matters as may be expressly delegated in writing to the Developer by the Company;

(b) Any proposed change in the work of the rehabilitation of the Property, or in the plans and specifications therefor as previously approved by the Company, or in the cost thereof, or any other change which would affect the design, cost, value or quality of the Property, except for such matters as may be expressly delegated in writing to the Developer by the Company;

(c) Making any expenditure or incurring any obligation by or on behalf of the Company or the Property involving a sum in excess of $25,000 or involving a sum of less than $5,000 where the same relates to a component part of any work, the combined cost of which exceeds $25,000, except for expenditures made and obligations incurred pursuant to and specifically set forth in a construction budget approved by the Company (the "Construction Budget") or for such matters as may be otherwise expressly delegated to the Developer by the Company;

(d) Making any expenditure or incurring any obligation which, when added to any other expenditure, exceeds the Construction Budget or any line item specified in the Construction Budget, except for such matters as may be otherwise expressly delegated in writing to the Developer by the Company; or

(e) Expending more than what the Developer in good faith believes to be the fair and reasonable market value at the time and place of contracting for any goods purchased or leased or services engaged on behalf of the Company or otherwise in connection with the Property.

Section 3. <u>Accounts and Records</u>.

(a) The Developer, on behalf of the Company, shall keep such books of account and other records as may be required and approved by the Company, including, but not limited to, records relating to the costs of rehabilitation advances. The Developer shall keep vouchers, statements, receipted bills and invoices and all other records, in the form approved by the Company, covering all collections, if any, disbursements and other data in connection with the Property prior to final completion of rehabilitation. All accounts and records relating to the Property, including all correspondence, shall be surrendered to the Company, upon demand without charge therefor.

(b) The Developer shall cooperate with the Management Agent to facilitate the timely preparation by the Management Agent of such reports and financial statements as the Management Agent is required to furnish pursuant to the Management Agreement.

(c) All books and records prepared or maintained by the Developer shall be kept and maintained at all times at the place or places approved by the Company, and shall be available for and subject to audit, inspection and copying by the Management Agent, the Company or any representative or auditor thereof or supervisory or regulatory authority, at the times and in the manner set forth in the Operating Agreement.

Section 4. Obligation To Complete Rehabilitation and to Pay Development Costs.

The Developer shall complete the rehabilitation of the Property or cause the same to be completed in a good and workmanlike manner, free and clear of all mechanics', materialmen's or similar liens, and shall equip the Property or cause the same to be equipped with all necessary and appropriate fixtures, equipment and articles of personal property, including refrigerators and ranges, provided for in the Property Documents and the Plans and Specifications. No installment of the Development Amount, as defined below, shall be paid to the Developer unless and until all then required Development Costs have been paid and/or funded.

Section 5. Development Amount.

(a) As a fee for its services in connection with the development of the Property and the supervision of the acquisition and rehabilitation of the Property, the Developer shall be paid an amount (the "Development Amount") equal to $1,950,000, or such other amount not to exceed the maximum amount allowed by the State Housing Finance Agency and approved by the Special Member.

(b) The Development Amount shall be deemed to have been earned pro rata as and when the dwelling units have been completed and are ready to be placed in service.

(c) Any installment of the Development Amount not paid from available funds of the Company shall be deferred ("Deferred Development Fee") and bear simple interest at the rate of 1.00% per annum and shall be paid, first to accrued interest on the Development Amount, then to the principal amount outstanding, from next available Cash Flow; provided, however, that notwithstanding anything else in this Agreement, any unpaid balance of the Development Amount shall be due and payable no later than 6 months prior to the expiration of the Compliance Period. The obligation to pay the Deferred Development Fee and interest thereon shall be evidenced by a promissory note in the form attached hereto as an exhibit.

(d) The Development Amount shall be a recourse obligation of the Company.

Section 6. Applicable Law.

This Agreement, and the application or interpretation hereof, shall be governed by and construed in accordance with the laws of the State of Michigan.

Section 7. Binding Agreement.

This Agreement shall be binding on the parties hereto, their heirs, executors, personal representatives, successors and assigns.

Section 8. Default and Remedies.

(a) If the Developer shall default in the performance of any of its covenants or obligations under this Agreement and such default shall continue unremedied for a period of thirty (30) days after written notice thereof from the Company to the Developer, the Company may exercise one or more of the following rights and remedies (all of which shall be cumulative), provided, however, if the default is of such a nature that it cannot be cured within the 30-day period, and the Developer has commenced to cure each default within the 30-day period, the Developer shall have an additional thirty (30) days in which to cure said default provided it acts in good faith and with due diligence to cure the same:

(i) Terminate this Agreement;

(ii) Enforce the provisions of this Agreement by legal proceedings for the specific performance of any covenant or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy and recover damages caused by any breach by the Developer of the provisions of this Agreement, including court costs, reasonable attorneys' fees and other expenses incurred in the enforcement of the obligations of the Developer hereunder; and/or

(iii) Exercise any and all rights and remedies which the Company (or its Members) may have under applicable law.

(iv) Waive the uncured default.

(b) In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence of any event of default hereunder which is not cured within the time period specified in Section 8(a) above, the Company is authorized to set off and to apply any amounts payable to the Developer hereunder, or under the Operating Agreement, against and on account of the obligations of the Developer to the Company hereunder. Any such amounts shall be deemed to have been paid to the Developer and then funded by the Developer to the Company.

(c) As long as Developer is not in default under this Agreement, the obligation of the Company to pay the Development Amount shall not be affected by any change in the identity of the Managing Member of the Company. However, if the Managing Member is in default of its obligations under the Operating Agreement, the Developer agrees that the Company may suspend payment of the Development Amount until the cure of the default.

Section 9. Headings.

All section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section.

Section 10. Terminology.

All personal pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

Section 11. Benefit of Agreement.

The obligations and undertakings of the Developer set forth in this Agreement are made for the benefit of the Company and its Members and shall not inure to the benefit of any creditor of the Company other than a Member, notwithstanding any pledge or assignment by the Company of this Agreement of any rights hereunder.

Section 12. Notice.

Except for any notice required under applicable law to be given in another manner (a) any notice to the Company provided for hereunder must be delivered by mailing such notice by certified or registered mail, return receipt requested, or overnight courier addressed to the Company at 20250 Harper Avenue, Detroit, MI 48225, Attention: American Community Developers, Inc., with a copy to: Gerald A. Krueger at 20250 Harper Avenue, Detroit, MI 48225, or at such other address as the Company may designate by notice to the other parties as provided herein, and (b) any notice to the Developer provided for hereunder must be delivered by certified or registered mail, return receipt requested, or by overnight courier addressed to the Developer at 20250 Harper Avenue, Detroit, MI 48225, Attention: American Community Developers, Inc., with a copy to: Gerald A. Krueger at 20250 Harper Avenue, Detroit, MI 48225, or at such other address as the Developer may designate by notice to the other parties as provided herein. Any notice provided for hereunder will be deemed to have been delivered to the Developer, the Company or the Investor Member three (3) days after the same has been deposited with the United States Postal Service or overnight courier in the above manner. Actual notice and receipt of any written notice constitutes notice in all events.

Section 13. Time. Time is of the essence hereof.

(*signature page follows*)

IN WITNESS WHEREOF, the parties hereto execute, accept, adopt and agree to be bound by all of the terms hereof by executing this Development Agreement as of this date first set forth above.

COMPANY:

MARKET PLACE 2026 L.L.C.,
a Michigan limited liability company

By: MCFAH South Carolina L.L.C., a Delaware limited liability company

Its: Managing Member

By: American Community Developers, Inc., a Michigan corporation

Its: Manager

By:_____
Gerald A. Krueger, President

DEVELOPER:

AMERICAN COMMUNITY DEVELOPERS, INC., a Michigan corporation

By: _____
Gerald A. Krueger, President

[Note: This note should not be executed and delivered until Construction Completion.]

EXHIBIT

DEFERRED DEVELOPMENT FEE NOTE

$_____

_____, 20__

FOR VALUE RECEIVED, MARKET PLACE 2026 L.L.C., a Michigan limited liability company (the "**Company**"), promises to pay the order of AMERICAN COMMUNITY DEVELOPERS, INC., a Michigan corporation (the "**Developer**"), the principal sum of _____ AND _____/100 DOLLARS ($_____), with simple interest at the rate of 1.00% per annum on prior to the end of the Compliance Period or the date of liquidation of the Company (the "**Maturity Date**"), in accordance with that certain Development Agreement by and between the Company and the Developer, dated as of _____ (the "**Development Agreement**").

This Note evidences the obligation of the Company to pay the Developer a Deferred Development Fee pursuant to the Development Agreement. The Deferred Development Fee is payable from the proceeds of certain capital contributions and from distributions of cash flow in accordance with the provisions of the Operating Agreement of the Company dated as of _____ _____ (the "**Operating Agreement**"), the provisions of which are specifically incorporated herein by this reference. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Operating Agreement.

The outstanding principal balance of this Note, together with all accrued interest thereon, shall unconditionally be due and payable on the Maturity Date.

If payment of the balance of the Deferred Development Fee and all accrued interest thereon is not paid on the Maturity Date, and such default continues for a period of ten (10) days after written notice from the Developer to the Company, then interest on the unpaid principal amount of this Note shall be computed at a rate per annum equal to two percent (2%) over the prevailing prime rate from time to time in effect as published in the Wall Street Journal in its Money Rates section and changing simultaneously with each published change in such published prime rate, which rate shall commence upon the expiration of such ten (10) day period and shall continue in effect until all past due principal and interest has been paid.

The Company may, at its election, from time to time prior to maturity, prepay without penalty all or any portion of the principal indebtedness of this Note.

Demand for payment shall be presumed to have been issued and the entire unpaid principal sum of this Note, together with accrued interest thereon, if any, shall become immediately due in the event of the occurrence of any one or more of the following: default in the payment of any installment due hereunder continuing for a period in excess of ten (10) days after written notice from the Developer to the Company; the filing by the Company of a voluntary petition in bankruptcy; or the failure by the Company within ninety (90) days thereof to lift any filing against

the Company of any involuntary petition, execution, or attachment; or the adjudication of the Company as bankrupt; or any assignment by the Company of all or substantially all of its assets for the benefit of its creditors; or the invalidity or illegality of any portion of this Note by reason of any act or omission by the Company.

Except as may be specifically required under the provisions of the Development Agreement, this Note shall not be assigned, hypothecated, pledged, sold, or otherwise transferred without the prior written consent of the Company, and any such other transfer without the Company's consent shall be null and void.

The payment of this Note shall be a recourse obligation of the Company.

This Note shall be governed by and construed in accordance with the internal laws of the State of Michigan.

IN WITNESS WHEREOF, the Company has executed this Note as of the date written above.

COMPANY:

MARKET PLACE 2026 L.L.C.,
a Michigan limited liability company

By: MCFAH South Carolina L.L.C., a Delaware limited liability company

Its: Managing Member

By: American Community Developers, Inc., a Michigan corporation

Its: Manager

By:_____
Gerald A. Krueger, President