

DEVELOPMENT AGREEMENT (KNOLLWOOD APARTMENTS)

THIS DEVELOPMENT AGREEMENT (this “Agreement”) is made and entered into as of May 1, 2026, by and between **KNOLLWOOD APTS II, LP**, a Mississippi limited partnership (the “Partnership”), and **TRINITY DEVELOPMENT, LLC**, a Mississippi limited liability company (the “Developer”).

RECITALS

A. WHEREAS, the Partnership has been formed to develop, rehabilitate, own, maintain and operate a fifty-two (52) unit multifamily housing development, commonly known as *Knollwood Apartments*, located at 822 Archie Street, Fort Mill, South Carolina (the “Project”);

B. WHEREAS, Knollwood Apartments II GP, LLC, a Mississippi limited liability company (the “General Partner”), is the sole general partner of the Partnership, and the General Partner desires to admit PNC Bank, or an affiliate thereof, as an investor limited partner (the “Investor Limited Partner”), in connection with the development of the Project pursuant to an Amended and Restated Agreement of Limited Partnership of the Partnership, dated on or about the date hereof (the “Amended Partnership Agreement”); and

C. WHEREAS, the Partnership desires to appoint the Developer to provide certain services for the Partnership 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 Partnership hereby appoints the Developer to render services for the Partnership, and hereby confirms and ratifies the appointment of the Developer with respect to all services rendered by the Developer for the Partnership to date, in supervising and overseeing the development of the Project 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) coordinate the preparation of the Plans and Specifications by the Architect and recommend alternative solutions whenever in the Developer’s judgment design details affect construction feasibility or schedules;

(b) monitor disbursement and payment of amounts owed to the Architect and the subcontractors;

(c) inspect the construction of the Project and advise the Partnership of items the Developer finds to be deficient;

(d) cooperate with the Partnership in securing all building code approvals and obtain certificates of occupancy (to the extent necessary) for all of the residential units of the Project;

(e) keep, or cause to be kept, accounts and cost records as to the construction of the Project;

(f) maintain, or cause to be maintained, at its expense, all office and accounting facilities and equipment necessary to adequately perform the foregoing functions;

(g) make available to the Partnership, during normal business hours and upon the Partnership's written request, copies of all material contracts and subcontracts held by Developer related to the Project;

(h) provide and periodically update an Project construction time schedule which coordinates and integrates Architect's services with construction schedules;

(i) assist the Partnership in negotiating the Construction Contract and supervising construction;

(j) 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;

(k) provide regular monitoring of the approved estimate of construction cost, show actual costs for activities in process and estimates for uncompleted tasks, identify variances between actual and budgeted or estimated costs and advise the Partnership whenever projected costs exceed budgets or estimates;

(l) develop and implement a system for review and processing of change orders as to construction of the Project;

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

(n) 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;

(o) 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 and with any special systems, materials or methods;

(p) receive bids, prepare bid analyses and make recommendations to the Partnership for award of contracts or rejection of bids;

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

(r) provide a detailed schedule of realistic activity sequences and durations, allocation of labor and materials and processing of shop drawings and samples;

(s) recommend courses of action to the Partnership when requirements of the construction contract and subcontracts are not being fulfilled;

(t) revise and refine the approved estimate of construction cost, incorporate changes as they occur, and develop cash flow reports and forecasts as needed;

(u) review change orders as to construction of the Project; and

(v) review requests for disbursements of proceeds of loans to the Partnership for the construction of the Project.

3. Limitations on Authority. Notwithstanding anything contained herein to the contrary, in no event shall the Developer perform any of the following duties, which shall be the sole responsibility of the General partner for the following duties:

(a) Analyzing any Qualified Allocation Plan for targeted areas within a state;

(b) Identifying potential land sites;

(c) Analyzing the demographics of potential sites;

(d) Analyzing a site's economy and forecast future growth potential;

(e) Determining the site's zoning status and possible rezoning actions;

(f) Contacting local government officials concerning access to utilities, public transportation, impact fees and local ordinances;

(g) Performing environmental tests on selected sites;

(h) Negotiating the purchase of the land upon which the Project is located and its related financing; and

(i) Performing any other duties or activities relating to the acquisition of the land upon which the Project is located.

The General Partner shall not assign any of the foregoing duties to the Developer.

4. 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 (the "Development Fee") in the aggregate amount of \$1,550,000.00. A portion of the Development Fee, in the amount of approximately \$1,157,706.00 (the "Cash Development Fee"), shall be payable to the Developer in the amounts and at the times set forth in the Amended Partnership Agreement. It is expected that the remaining portion of the Development Fee not paid under the prior sentence, in the approximate amount of \$392,294.00 (the "Deferred Development Fee"), shall be paid to the Developer solely from net cash flow, proceeds of a capital transaction and proceeds of a dissolution and liquidation of the Partnership pursuant to the Amended Partnership Agreement. Notwithstanding the foregoing, in no event shall the total Development Fee exceed the maximum amount permitted by South Carolina State Housing Finance and Development Authority. The Development Fee shall be the only amounts payable to Developer for services performed pursuant to this Agreement. The Developer shall not be entitled to any reimbursement for costs and expenses, including without limitation salaries, compensation and fringe benefits of employees of Developer or for Developer's overhead.

(b) The Deferred Development Fee shall not bear interest. Notwithstanding anything to the contrary contained herein, any unpaid portion of the Deferred Development Fee shall be payable by the earlier of (i) the thirteenth year following the date the Project is placed in service, or (ii) the date of liquidation of the Partnership.

(c) The Development Fee shall be deemed earned as and when the services specified herein are rendered, and in any event, shall have been earned in full upon the latest to occur of (i) substantial completion of the Project, and (ii) cost certification of the Project, but in no event later than the end of the first year of the credit period for each building in the Project.

5. Scope of Developer's Responsibility. The Developer is responsible for the duties that it has specifically undertaken in this Agreement, and no additional duties or responsibilities may be implied from this Agreement.

6. Assignment of Development Fee. The Developer shall not assign, pledge or otherwise encumber, for security or otherwise, the Development Fee, or any portion thereof or any right of such Developer thereto, without the prior written consent of the Partnership.

7. Successors and Assigns. This Agreement shall be binding on the parties hereto, their successors and assigns. However, this Agreement may not be assigned by the Partnership or the Developer without the prior written consent of the other party, nor may it be terminated by the Partnership or the Developer without the prior written consent of the other party.

8. No Lien Filings. To the extent permitted by law, the Developer hereby represents, warrants and covenants that neither it nor its Affiliates shall file a mechanic's lien, materialmen's lien or other lien against the Project or any other assets of the Partnership, and hereby waives and

releases any right it may have or may hereafter acquire to file a such lien against the Project or any other assets of the Partnership. The Developer shall indemnify and hold harmless the Partnership and the Limited Partners 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. Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (a) ARISING UNDER THIS DEVELOPMENT AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY PRESENT OR FUTURE AMENDMENT THEREOF, OR (b) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THE DEVELOPMENT AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION IS NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF ANY RIGHT THEY MIGHT OTHERWISE HAVE TO TRIAL BY JURY.

12. No Continuing Waiver. No waiver by a party hereto of any breach of this Agreement shall be effective unless in a writing executed by such party. No waiver shall operate or be construed to be a waiver of any subsequent breach.

13. Applicable Law. This Agreement shall be construed and enforced in accordance with the laws of the state of Mississippi, without regard to principles of conflicts of laws.

14. Amendments. Each party hereto expressly agrees that any amendment to this Agreement shall not be effective unless signed by the parties hereto.

15. Attorney's Fees. Each party hereto agrees to pay the other party, without demand, reasonable attorney's fees and all costs and expenses expended or incurred in collecting any

amounts payable by such party hereunder or in enforcing this Agreement against the other party, whether or not suit is filed.

16. Capitalized Terms. Capitalized terms used herein and not otherwise defined shall have the respective meanings prescribed to such terms in the Partnership Agreement and/or the Amended Partnership Agreement, as applicable.

[SIGNATURE PAGE FOLLOWS]

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

PARTNERSHIP:

KNOLLWOOD APTS II, LP,
a Mississippi limited partnership

By: Knollwood Apartments II GP, LLC,
a Mississippi limited liability company,
its general partner

By: 
Name: Herbert B. Iverson, III
Title: Manager

DEVELOPER:

TRINITY DEVELOPMENT, LLC,
a Mississippi limited liability company

By: 
Name: Herbert B. Iverson, III
Title: Manager