

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER) **DEVELOPMENT AGREEMENT**
)
) **SOUTHPOINT TRACT**

This Development Agreement ("Agreement") is made and entered this ____ day of _____, 2022, being the latter of the execution below by and between Firefly Investments LLC and HHI 226, LLC ("Owner"), and the governmental authority of the City of Hardeeville, South Carolina ("City").

WHEREAS, the legislature of the State of South Carolina has enacted the "South Carolina Local Government Development Agreement Act," (the "Act") as set forth in Sections 6-31-10 through 6-31-160 of the South Carolina Code of Laws (1976), as amended; and,

WHEREAS, the Act recognizes that "The lack of certainty in the approval of development can result in a waste of economic and land resources, can discourage sound capital improvement planning and financing, can cause the cost of housing and development to escalate, and can discourage commitment to comprehensive planning." [Section 6-31-10 (B)(1)]; and,

WHEREAS, the Act also states: "Development agreements will encourage the vesting of property rights by protecting such rights from the effect of subsequently enacted local legislation or from the effects of changing policies and procedures of local government agencies which may conflict with any term or provision of the Development Agreement or in any way hinder, restrict, or prevent the development of the project. Development Agreements will provide a reasonable certainty as to the lawful requirements that must be met in protecting vested property rights, while maintaining the authority and duty of government to enforce laws and regulations which promote the public safety, health, and general welfare of the citizens of our State." [Section 6-31-10 (B)(6)]; and,

WHEREAS, the Act further authorizes local governments, including city governments, to enter Development Agreements with property owners to accomplish these and other goals as set forth in Section 6-31-10 of the Act; and,

WHEREAS, Owner is the landowner of approximately +/- 356.39 acres, generally known as the Southpoint Tract, and proposes to develop and/or sell to Secondary Developers who will develop all or portions of the Property for a mixture of residential, mixed use and commercial use, as described in the Planned Development District adopted herewith and attached as Exhibit B; and,

WHEREAS, the City seeks to protect and preserve the natural environment and to secure for its citizens quality, well planned and designed development and a stable and viable tax base; and,

WHEREAS, the City finds that the program of development proposed by Owner for this Property is consistent with the City 's comprehensive land use plan; and will further the health, safety, welfare and economic well-being of the City and its residents; and,

WHEREAS, the program for development of the Property presents an unprecedented opportunity for the City to secure quality planning and growth to protect the environment and strengthen, improve and revitalize the tax base; and,

WHEREAS, this Development Agreement is being made and entered between Owner and the City, under the terms of the Act, for the purpose of providing assurances to Owner that it may proceed with its development plan under the terms hereof, as hereinafter defined, consistent with its approved Planned Development District Standards, (as hereinafter defined) without encountering future changes in law which would materially affect the ability to develop under the Standards, and for the purpose of providing important protection to the natural environment and long term financial stability and a viable tax base to the City, and for the purpose of providing certain funding and funding sources to assist the City in meeting the service and infrastructure needs associated with the development authorized hereunder; and

WHEREAS, the City of Hardeeville strongly supports the critical need for attainable housing in our community to provide a range of housing options for all the various professionals, skilled trades, and workers; and

WHEREAS, the City has adopted an attainable housing policy and seeks to promote attainable housing in the City's Comprehensive Plan and therefor the City in cooperation of the Owner is willing to incentivize the Owner to build attainable housing units within the development by lowering the voluntary development fees; and

WHEREAS, the City has defined attainable housing as those unsubsidized units meeting the needs of those with income between 70 to 100 percent of Median Household Income. As of September 1, 2022 the United States Census Bureau estimates Median Household Income is \$65,245 for the City; and

WHEREAS, each September 1st the current Median Household Income estimate provided by the United States Census Bureau will be verified and the percentages calculated will be adjusted according to the new update;

NOW THEREFORE, in consideration of the terms and conditions set forth herein, and other good and valuable consideration, including the potential economic benefits to both the City and Owner by entering this Agreement, and to encourage well planned development by Owner, the receipt and sufficiency of such consideration being hereby acknowledged, the City and the Owner hereby agree as follows:

I. INCORPORATION.

The above recitals are hereby incorporated into this Agreement, together with the South Carolina General Assembly findings as set forth under Section 6-31-10(B) of the Act.

II. DEFINITIONS.

As used herein, the following terms mean:

"Act" means the South Carolina Local Government Development Agreement Act, as codified in Sections 6-31-10 through 6-31-160 of the Code of Laws of South Carolina (1976), as amended; incorporated herein by reference.

"Adjacent Land" shall mean any real property adjacent to the real property described in Exhibit A also referred to as Southpoint.

"Adjustment Factor" shall mean the percentage of either the Consumer Price Index (CPI) (All Urban Consumers) for the applicable year or three percent (3%) per annum simple interest, whichever is greater applied on July 1st of each year with the first adjustment being applied on July 1, 2023.

"Agreement" shall mean this Development Agreement as amended by the City and Owner and/or Owner's successors and assigns in writing from time to time.

"Attainable Housing" shall mean a dwelling that has a base sales price determined to be available for purchase to an individual or household earning between 70%-100% of the Median Household Income as established by the U.S. Census Bureau as updated annually on September 1 of each year.

"Agreement" shall mean three percent (3%) applied on July 1st of each year with the first adjustment being applied on July 1, 2022.

"Association" shall mean one (1) or more property owners' associations established to maintain portions of the Property.

"BJWSA" shall mean the Beaufort/Jasper Water and Sewer Authority, its successors or assigns.

"Builder" shall mean any Person applying for a building permit to construct a structure on a portion of the Property.

“City” shall mean the City of Hardeeville, South Carolina.

“County” shall mean Jasper County, South Carolina.

“Concept Plan” shall mean the Concept Plan attached as an Exhibit to the PDD Standards as same may be modified by agreement of the City and Owner.

“Developer(s)” or “Owner” means Firefly Investments, LLC, HHI 226, LLC and all successors in title or lessees of the Owner who undertake Development of the Property who are transferred in writing from the Owner portions of the Owner's Development Rights.

“Development” means the development of portions of the Property as contemplated in the Zoning Regulations.

“Development Fees” shall have the meaning set forth in Paragraph XII.

“Development Rights” means Development undertaken by the Owner or Developer(s) in accordance with the Zoning Regulations and this Development Agreement.

“DHEC” means the South Carolina Department of Health and Environmental Control.

“Southpoint Tract” or “Property” shall mean that certain tracts of land described on Exhibit A attached hereto and incorporated into this Agreement by reference, as may be amended upon the agreement of the City and Owner.

“Lot” shall mean an area designated as a separate and distinct parcel of land on a legally recorded subdivision/development plat as filed in the official records of Jasper County, South Carolina.

“Master Plan” shall mean the Master Plan as defined in Section 4.2.1 et sec. of the Zoning Regulations (2008 MZDO Reference).

"Municipal Improvement District" shall mean a district that may be created by the City of Hardeeville for the public components of the Project including public roadways and infrastructure and the water and sewer infrastructure pursuant to and as more particularly described in Section 5-37-10 et seq. of the South Carolina Code of Laws (1976) as amended.

"Municipal Improvement District Bond" shall mean any special assessment bond financing approved and obtained by the City of Hardeeville for the Property, the proceeds of which are to be used for public infrastructure serving the Property, as more particularly described in Section 5-37-10 et seq. of the South Carolina Code of Laws (1976), as amended.

"MZDO" shall mean the Municipal Zoning and Development Ordinance of the City of Hardeeville, South Carolina dated March 20, 2008, as amended through the date of this Agreement.

"Owner" means Firefly Investments, LLC and HHI 226, LLC, its successors, and any assignee, whereby such interest is assigned in writing.

"Planned Development District Standards" or **"PDD Standards"** shall mean the Southpoint Planned Development District Standards and Concept Plan approved by the City of Hardeeville on _____, 2022, attached as **Exhibit B** and incorporated into this Agreement by reference.

"Person" means any individual, limited liability company, limited liability partnership, partnership, corporation, trust or other person or entity.

"Project" shall mean the Development to occur on the Property.

"Property" means those certain tracts of land described on **Exhibit A**, also known as Southpoint, as may be amended with the Agreement of the City and Owner.

"Residential Dwelling Unit" means a single unit providing complete, independent living facilities for one (1) or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation.

"Term" means the duration of this Agreement as set forth in Section III hereof.

"Zoning Regulations" means the (a) Planned Development District Standards and all the attachments thereto, including but not being limited to the Concept Plan, all narratives, applications, and site development standards thereof, all as same may be hereafter amended by mutual agreement of the City and the Owner; (b) this Development Agreement, and (c) the MDZO dated March 20, 2008, as amended through the date of this Agreement, except as the provisions thereof may be clarified or modified by the terms of the PDD Standards and this Agreement. In the event of conflicts, the terms of this Development Agreement shall take precedence, followed by the PDD Standards, and then the MDZO.

III. TERM.

The term of this Agreement commences on the date that this Agreement is executed by the parties and terminates five (5) years thereafter. This is the maximum initial term permitted by law for the Property. The parties agree to extend the initial term by an additional five years, provided that both parties are in substantial compliance herewith.

IV. DEVELOPMENT OF THE PROPERTY.

The Property shall be developed in accordance with the Zoning Regulations and this Agreement. All costs charged by or to the City for reviews required by the Municipal Zoning and Development Ordinance (MZDO) shall be paid by the Owner or Developer(s) or other party applying for such review as generally charged throughout the City for plan review. The City shall, throughout the Term, maintain or cause to be maintained, a procedure for the processing of reviews as contemplated by the Zoning Regulations and this Agreement. Notwithstanding any provision of this Agreement, City acknowledges that neither Owner nor Developer shall be obligated under any circumstance to undertake any Development of the Property, unless funds

are obtained by Owner, its successors or assigns, through public financing, in which case Owner, its successors or assigns, as applicable, shall be obligated to complete the infrastructure to be financed through such public financing.

V. CHANGES TO ZONING REGULATIONS.

The Zoning Regulations relating to the Property subject to this Agreement shall not be amended or modified during the Term, without the express written consent of the Owner except in accordance with the procedures and provisions of Section 6-31-80(B) of the Act, which Owner shall have the right to challenge. Owner does, for itself and its successors and assigns, including Developer(s) and notwithstanding the Zoning Regulations, agree to be bound by the following:

1. The Owner shall be required to notify the City, in writing, as and when Development Rights are transferred to any other party. Such information shall include the identity and address of the acquiring party, a proper contact person, the location and number of acres of the Property transferred, and the number of residential units and/or mixed use or commercial square footage or acreage, as applicable, subject to the transfer. Developer(s) transferring Development Rights to any other party shall be subject to this requirement of notification, and any entity acquiring Development Rights hereunder shall be required to file with the City an acknowledgment of this Agreement and a commitment to be bound by it.

2. The Owner and Developer(s), and their respective heirs, successors and assigns agree that all Development, with the exception of irrigation, incidental maintenance facilities, golf courses, earthwork and similar amenities which exist from time to time, and facilities existing at the date of this Agreement will be served by potable water and sewer prior to occupancy, except as otherwise provided herein for temporary use, temporary being defined as one year or less. Septic tanks and/or wells may be allowed with the permission of BJWSA where there is a specific finding that such use for specific portions of the Property will comply with the overall environmental standards, and any applicable federal, state or local requirements including City of Hardeeville Ordinances.

3. With the exception of the proposed commercial out parcels along Highway 278 and Commercial Parcel 3, Southpoint East, which may be less than ten (10) acres, or the platting of a road section, no initial Master Plan for any portion of the Property shall be submitted for processing unless that plan encompasses ten (10) or more acres.

VI. DEVELOPMENT SCHEDULE.

The Property shall be developed in accordance with the development schedule, attached as **Exhibit D**, or as may be amended by Owner or Developer(s) in the future to reflect actual market absorption. Pursuant to the Act, the failure of the Owner and any Developer(s) to meet the initial development schedule shall not, in and of itself, constitute a material breach of this Agreement. In such event, the failure to meet the development schedule shall be judged by the totality of circumstances, including but not limited to the Owner's and Developer(s)'s good faith efforts to attain compliance with the development schedule. These schedules are planning and forecasting tools only and shall not be interpreted as mandating the development pace initially forecast or preventing a faster pace if market conditions support a faster pace. The fact that actual development may take place at a different pace, based on future market forces, is expected, and shall not be considered a default hereunder. Development activity may occur faster or slower than the forecast schedule, as a matter of right, depending upon market conditions. Furthermore, periodic adjustments to the development schedule which may be submitted unilaterally by Owner(s) / Developer(s) in the future, shall not be considered a material amendment or breach of the Agreement.

VII. USE AND DENSITY.

The maximum residential densities and the maximum commercial use densities on the Property are set forth in the Planned Unit Development approval and as set forth below:

Up to a maximum density of five hundred eighty (580) single-family residential dwelling units, eight hundred forty (840) multi-family residential dwelling units and up to eight hundred fifty thousand (850,000) square feet of commercial development. The attached PDD depicts the general location of allowed residential units and commercial density; however, so long as the

total residential unit count does not exceed five hundred eighty (580) single family residential dwelling units, eight hundred forty (840) multi-family residential dwelling units, and eight hundred fifty thousand (850,000) sf of commercial development. The Owner shall be allowed to alter the single-family residential product mix among single family detached, single family attached, and/or townhouses, based upon ongoing project planning and market conditions. Any such changes to the residential product mix shall not be considered a material amendment hereto, or an amendment to the attached PDD, so long as the total allowed density is not exceeded subject to approval at the staff review level. Such minor changes will be approved at the staff review level.

VIII. RESTRICTED ACCESS

The Owner and/or each Developer shall have the right (but not the obligation) to create restricted access communities within the Property.

IX. EFFECT OF FUTURE LAWS.

Owner and Developer(s) shall have vested rights to undertake Development of any or all of the Property in accordance with the Zoning Regulations, as defined herein and modified hereby, and as may be modified in the future pursuant to the terms of this Agreement for the entirety of the Term. Future enactments of, or changes or amendments to the City ordinances, including zoning or development standards ordinances, which conflict with the Zoning Regulations shall not apply to the Property unless the procedures and provisions of Section 6-31-80 (B) are followed, which Owner shall have the right to challenge. No future moratorium on development approvals or building permit issuance shall apply to the Property so long as the Property complies with the Zoning Regulations, as defined herein. Notwithstanding the above, the Property will be subject to then current fire safety standards and state and/or federal environmental guidelines standards of general application.

The parties specifically acknowledge that this Agreement shall not prohibit the application of any present or future building, housing, electrical, plumbing, gas or other standard

codes, or any ad valorem tax of general application throughout the City, found by the City Council to be necessary to protect the health, safety and welfare of the citizens of Hardeeville.

X. INFRASTRUCTURE AND SERVICES

The City and Owner recognize that the majority of the direct costs associated with the Development of the Property will be borne by the Owner and Developer(s), and many other necessary services will be provided by other governmental or quasi-governmental entities, and not by the City. For clarification, the parties make specific note of and acknowledge the following:

A. Private Roads. All roads within the Property shall be constructed by the Owner, Developer(s) or other parties and maintained by such party(ies) and/or Association(s) or dedicated for maintenance to other appropriate entities. Except as provided in this Agreement, the City will not be responsible for the construction of any private roads within the Property, unless the City specifically agrees to do so in the future. Owner acknowledges that any private road shall comply with all applicable state statutes and rules and regulations of the South Carolina Department of Transportation or its successor regarding standards and safety of such roads. Roadway section details shall be submitted for review at the time of development permit applications, as provided in the PDD standards.

B. Public Roads. All public roads outside the Property that serve the Property are under the jurisdiction of the State of South Carolina or other governmental entities regarding access, construction, improvements, and maintenance. Owner acknowledges that it must comply with all applicable state statutes and rules and regulations of the South Carolina Department of Transportation or its successor regarding access and use of such public roads. Owner shall be required to conduct a Transportation Impact Analysis ("TIA") that shall determine whether improvements are needed to mitigate impacts of the development to the road network. Owner shall be responsible for construction of property access improvements as required by the Transportation Impact Analysis and/or SCDOT and the City in conjunction with access mitigation plans. Upon completion of construction of any such improvements within the SCDOT right of way, and acceptance by SCDOT, the SCDOT shall maintain all roadway improvements

within the public road right of way. Owner and the City acknowledge and agree that Owner will be required to complete any off-site road improvements required for the Development of the Property as required by the TIA and in accordance with Road Improvement Schedule attached, unless otherwise agreed upon by SCDOT, the City and Developer. The City agrees to cooperate with Owner in order to obtain a right of way if necessary for improvements pursuant to the TIA or alternative improvements if agreed upon by SCDOT, the City and Developer. Owner shall be responsible for any costs associated with such governmental action. In the event a roadway improvement is required that is not solely attributable to the subject development a pro rata share of the cost of said improvement shall be paid to the City as negotiated by all parties. Offsite road improvements may be modified as needed to avoid environmental impacts to wetlands or other environmentally sensitive areas, to stay within existing rights of way, and to avoid any relocation of existing utilities. To the extent the improvements are within existing rights of way, Owner will not be required to obtain additional right of way or be required to relocate utilities, unless such items are required by the TIA or alternative improvements are agreed upon by SCDOT, the City and Developer. City will assist Owner with coordination with SCDOT and utility providers to allow for modified roadway improvements without impact to wetlands. City also agrees to cooperate with Owner in order to obtain any necessary right of way to complete such improvements. Owner shall be responsible for any costs associated with such governmental action.

C. Potable Water. Potable water will be supplied to the Property by BJWSA or some other legally constituted public or private provider allowed to operate in the City. The City shall not be responsible for any construction, treatment, maintenance, or costs associated with water service to the Property unless the City elects to provide such services with the agreement of the applicable utility authority then providing such service to the Property. Owner will construct or cause to be constructed all related infrastructure improvements within the Property, which will be maintained by it or the service provider as provided in any utility agreement between Owner and the service provider.

D. Sewage Treatment and Disposal. Sewage treatment and disposal will be provided by BJWSA or some other legally constituted public or private provider allowed to operate in the City. The City will not be responsible for any treatment, maintenance or costs

associated with sewage treatment within the Property, unless the City elects to provide such service with the agreement of the applicable utility authority then providing such service to the Property. Nothing herein shall be construed as precluding the City from providing sewer services to its residents in accordance with applicable provisions of law. Owner will construct or cause to be constructed all related infrastructure improvements within the Property, which will be maintained by it, or the provider as provided in any utility agreement between Owner and the service provider.

E. Use of Effluent. Owner agrees that treated effluent will be disposed of only in such manner as may be approved by DHEC and the BJWSA.

F. Police Services. City shall provide police protection services to the Property on the same basis as is provided to other similarly situated residents and businesses in the City. Owner acknowledges the concurrent jurisdiction of the City police department and the Jasper County Sheriff on the Property and shall not interfere or in any way hinder law enforcement activities of either on the Property regardless of whether such may be a restricted access community.

G. Fire Services. City shall provide fire protection services to the Property on the same basis as is provided to other similarly situated residents and businesses in the City. Owner acknowledges the jurisdiction of the City fire department on the Property and shall not interfere or in any way hinder public safety activities on the Property regardless of whether such may be a restricted access community.

The parties hereto recognize that the Property is and will continue to be located in Jasper County, South Carolina. The parties intend that the Property will be served by the City of Hardeeville. To the extent that any jurisdictional conflicts may arise in the future, Owner and City will negotiate in good faith to resolve any conflicts, and any such resolution which is approved by City Manager and Owner shall not be considered a material amendment or a breach hereof.

H. Sanitation Services. City shall provide sanitation and trash collection services to the Property on the same basis as is provided to other similarly situated residents and businesses in the City.

I. Recreation Services. City shall provide recreation services to the Property on the same basis as it provided to other similarly situated residents and businesses in the City.

J. Library Services. Library services shall be provided for the Property on the same basis as provided to other similarly situated residents and businesses in the City.

K. Emergency Medical Services (EMS). EMS services shall be provided for the Property on the same basis as provided to other similarly situated residents and businesses in the City.

L. Drainage System. All stormwater runoff, treatment and drainage system improvements within the Property will be designed in accordance with the Zoning Regulations, City Ordinances, and Best Management Practices then current. All stormwater runoff, treatment and drainage system improvements for the Property shall be constructed by the respective Owner or the Association, as applicable. The City will not be responsible for any construction or maintenance cost associated with the stormwater runoff, treatment, and drainage system within the Property.

M. Storm Water Quality. Protection of the quality in nearby waters and wetlands is a primary goal of the City. The Owner shall be required to abide by all provisions of federal and state laws and regulations, now or in the future, including those established by the Department of Health and Environmental Control, the Office of Ocean and Coastal Resource Management, and their successors for the handling of storm water, provided that such future regulations shall only apply to future development on the Property which has not been permitted and/or developed at the time such regulations are adopted. If applicable, further provisions regarding Storm Water are included within the PDD Standards for this Project.

N. Municipal Improvement District. Notwithstanding anything contained herein to the contrary, in the event that (1) the Owner, Developer, or a Secondary Developer and the City may jointly agree that the construction of public infrastructure required for the Development of the Property will be defrayed from the proceeds of Municipal Improvement District Bonds or from the receipts of assessments imposed upon the Property; (2) the City creates the Municipal Improvement District; (3) the City is able to issue Municipal Improvement District Bonds which are non-recourse to the City; and (4) suitable arrangements are made by the Owner or Developer with the City to guarantee completion of the construction of such public infrastructure, then the Owner or Developer shall notify the City prior to the sale of the first parcel within the Property, whereupon the City shall take such action as necessary to implement a Municipal Improvement District with respect to the Property and issue Municipal Improvement District Bonds to provide such amount as then current, definitive plans indicate to be necessary to complete such public infrastructure improvements, which monies shall be made available to design, permit and construct such public infrastructure improvements. Upon obtaining such funding (which may be in phases), the City shall cause the design, permitting and construction of such required public infrastructure improvements (or phased portions of the public infrastructure improvements, as may be the case). Nothing herein shall preclude the submission of a design/build proposal for such public infrastructure improvements by Owner or Developer which complies with the procurement requirements of the City. Notwithstanding the above, Owner or Developer, with the prior written approval of the City, may begin construction of such public infrastructure improvements prior to the creation of the Municipal Improvement District, and provided the Municipal Improvement District Bonds are issued, Owner or Developer shall be reimbursed for any qualifying funds previously expended by Owner or Developer in the construction of such public infrastructure improvements.

O. Pedestrian Pathway. Owner shall, design and construct two pedestrian pathways along the frontage of John Smith Road and located on one side of the interior Spine Road. Exact location shall be determined during the development of the Improvement Plans. Installation will follow the Improvement Schedule as identified in Exhibit A.

XI. CONVEYANCES AND CONTRIBUTIONS.

The City and Owner understand and agree that the Development of the Property shall result in additional public services being required to be provided by the City and other governmental agencies. The City and Owner acknowledge it is desirable that certain public facilities be located in the vicinity of the Property. The Owner agrees to participate in mitigating certain initial costs of the City for such services as provided in this Agreement. The following items are hereby agreed upon to be provided by Owner, its successors, and assigns, and to offset the costs and expenditures created by the Development of the Property:

- A. Roads. Owner may transfer to the City certain rights-of-way and roads within the Property upon agreement by the City.
- B. Civic Site. A Civic Site dedication will not be required for the Property.
- C. Park Site. A Park Site dedication will not be required for the Property.
- D. No Other Dedications. Except with respect to the dedications and/or conveyances of the properties referenced in Section XI, no other dedications or conveyances of lands for public facilities shall be required by the City in connection with the Development of the Property.
- E. No Wetlands. All conveyances and dedications of lands pursuant to this Agreement shall mean upland gross acres of highland, net of wetlands.

XII. DEVELOPMENT FEES

1. To assist the City in meeting expenses resulting from ongoing development, Owner shall pay development fees as follows, as set forth in the Tables below. These amounts are those in effect upon the execution of this Agreement and are subject to the annual Adjustment Factor, as defined herein, implemented each subsequent year on July 1, beginning July 1, 2023.

| Table A | |
|--|--|
| DEVELOPMENT FEES | AMOUNT |
| Residential Single Family Attached/ Detached Dwelling Units | \$750 plus Adjustment Factor per unit – Police \$750 plus Adjustment Factor per unit – Fire \$545 plus Adjustment Factor per unit – Recreation \$100 plus Adjustment Factor per unit – Public Works \$100 plus Adjustment Factor per unit – Community Facilities \$800 plus Adjustment factor per unit – Road Improvement Fee |
| Table A-1 | |
| REDUCED DEVELOPMENT FEES | AMOUNT |
| Attainable Housing Qualified Residential Dwelling Units | \$525 plus Adjustment Factor per unit – Police \$525 plus Adjustment Factor per unit – Fire \$382 plus Adjustment Factor per unit – Recreation \$70 plus Adjustment Factor per unit – Public Works \$70 plus Adjustment Factor per unit –Community Facilities \$560 plus Adjustment factor per unit – Road Improvement Fee |

| Table B | |
|----------------------------|---|
| DEVELOPMENT FEES | AMOUNT |
| Multifamily Dwelling Units | \$188 plus Adjustment Factor per unit – Police \$188 plus Adjustment Factor per unit – Fire \$137 plus Adjustment Factor per unit – Rec \$25 plus Adjustment Factor per unit – Public Works \$25 plus Adjustment Factor per unit – Community Facilities \$200 plus Adjustment factor per unit – Road Improvement Fee |

| Table C | |
|------------------------------------|--|
| DEVELOPMENT FEES | AMOUNT |
| Commercial (per 1,000 square feet) | \$250 plus Adjustment Factor – Police \$250 plus Adjustment Factor – Fire \$50 plus Adjustment Factor – Recreation \$100 plus Adjustment Factor – Public Works \$30 plus Adjustment Factor – Community Facilities \$267 plus Adjustment factor per unit – Road Improvement Fee |

2. All Table A, Table B and Table C Development Fees shall be collected at the time of obtaining a building permit and placed in separate interest bearing accounts established for each of the designated categories (i.e. Police, Fire, Recreation, Public Works and Community Facilities). The City may expend the development funds for any purposes designed to provide or enhance such services within the City.

3. Notwithstanding any provision to the contrary contained within this Agreement, the Development Fees are being paid in lieu of any other impact fees, development fees or any other similar fees presently existing or adopted by the City at any time hereafter during the term of this Agreement; provided, however, the Owner and/or Developer(s) shall be subject to the payment of any and all present or future permitting fees enacted by the City that are of City-wide application and that relate to processing applications, development permits, building permits, review of plans, or inspections (but no other capital improvement related impact, development or other extractions).

4. Except as set forth in this Agreement, nothing herein shall be construed as relieving the Owner, Developer, a Secondary Developer, a Builder, or their successors, and assigns, from payment of any such fees or charges as may be assessed by entities other than the City. It is the intent of the parties that the fees and obligations contemplated by this Agreement are the only obligations which will be imposed upon the Property however, the provisions of this paragraph shall not preclude the City or another governmental authority from imposing a fee for services or improvements contemplated under this Agreement which are imposed on a consistent basis throughout the area regulated by such governmental authority imposing such obligations. The City or other governing body shall not be precluded by this Agreement from charging fees for delivery of services to citizens or residents (i.e., an EMS response fee or the like), nor from charging fees statutorily authorized in the future (i.e., a real estate transfer fee or the like) which are not collected as a prerequisite to approval of a plat, plan, or construction. The City shall, at Owner/Developer's request, together with Owner/Developer, challenge any developer fee, impact fee or other obligation imposed by other governmental authorities to the extent that such fees or obligations are not specifically permitted to be imposed pursuant to the terms of this Agreement. The Owner/Developer(s) shall be

responsible for all costs associated with such challenge and may be required to make a deposit of such in advance with the City.

5. The parties hereto recognize that Jasper County may, now or in the future, impose certain development impact fees upon the Property. The intent hereof is that the Owner shall not be charged in both jurisdictions for the same impact fee (development fee) categories, however, should a dispute arise as to whether Owner/Developer shall pay fees to the County or to the City, the Owner/Developer shall be responsible for settling such dispute with each party. The City shall not offset any development fee contained herein against such fees payable to Jasper County. The same principle shall apply regarding all applicable Development Fee categories hereunder, and any such future agreement shall not be deemed a material amendment or breach hereof. If the City becomes involved in litigation or challenge at the request of the Owner/Developer and/or the City becomes a party to litigation or challenge at the request of the Owner/Developer, the Owner/Developer shall reimburse the City for all costs associated with such challenge and may be required to make a deposit of such in advance with the City.

6. Any Development Fees paid and/or credits for Development Fees with respect to property conveyed, services performed and/or money paid as provided in this Agreement may be assigned by the Owner and/or Developer(s) owning such credits and all such credits shall remain valid until utilized. The City shall recognize all such written assignments of such rights as long as the City has been given an opportunity to review such assignments for accuracy prior to such assignment and shall credit same against any Development Fees which are owed pursuant to this Agreement.

7. For those units that may qualify for Attainable Housing Reductions, the Owner, or authorized agent, shall pay the Table A City Development Fees upon the issuance of a building permit. At the time a Certificate of Occupancy is granted, the Owner, or authorized agent, will provide to the City a copy of the sales contract. If the base sales price meets the criteria for Attainable Housing as defined herein, then the Owner, or authorized agent, is eligible for reduced Development Fees Upon submittal of a closing statement showing a qualifying base sales price, the City shall calculate the credit amount based upon the reduced amounts identified in Table A-1. The reduced amount from the year shown on the closing statement shall

apply. Owner, or authorized agent, may receive a refund for fees paid in excess or held as a credit for payment for future units. If Owner, or authorized agent, does not submit a request for refund within six (6) months of the closing, that Owner, or authorized agent, will no longer be eligible for the reduced Development Fees. Table B and Table C shall not qualify for Attainable Housing Reductions.

8. The Development Fees set forth in the Fee Chart are based upon 2022 figures. The Development Fee amounts shall be increased annually according to the Adjustment Factor.

9. The City, County, or other governmental entity, may establish, solely or in conjunction with each other, a Tax Increment, fee in lieu of tax (FILOT), Multi-County Business Park, or any other special tax district or financing vehicle authorized by applicable provisions of the Code of Laws of South Carolina (1976), as amended, which does not impose additional ad valorem taxes or assessments against the Project. The establishment by the City, County, or other governmental entity, solely or in conjunction with each other, of a special tax district or financing vehicle authorized by applicable provisions of the Code of Laws of South Carolina (1976), as amended, which increases the assessments within the Property solely, shall require the consent of the Owner or Secondary Developer unless such increase is otherwise expressly permitted pursuant to the terms of this Agreement. It is acknowledged that at the written election of Owner, a Municipal Improvement District may be implemented with the consent of the City for the Project as set forth in this Agreement.

10. Owner agrees to pay the actual costs and reasonable, actual expenses of the City's consultants and professionals incurred in negotiating, processing and evaluating the Development Agreement, as amended hereby, the PDD, and any other related documents (i.e. Assignments and Estoppel letters) as contemplated and provided for in this Agreement. City will provide sufficient documentation of these charges. Owner shall pay such fees within sixty (60) days of the delivery by City of the invoice(s).

XIII. PERMITTING PROCEDURES:

1. The City agrees to allow the Developer(s) the ability to permit and construct model homes without utilities (i.e., “dry models”) and to relocate the models as necessary within each subdivision in accordance with the applicable Zoning Regulations.

2. The City agrees that the Owner and/or any Developer is/are not required to phase development but shall have the right to do so.

3. The City agrees to review all land use changes, land development applications, and plats in an expeditious manner in accordance with the MZDO as modified by the PDD Standards for this Project. Developer(s) may submit these items for concurrent review with the City and other governmental authorities. The City may give final approval to any submission, but it will not grant authorization to record plats or begin development construction activities until all permitting agencies have completed their reviews.

4. Signage for the Project is governed by the PDD Standards, Zoning Regulations, and the MZDO, as applicable.

5. The City acknowledges that the Owner and/or Developer(s) shall have an internal set of architectural guidelines and will employ an architectural review board, which are to be adopted as provided in the PDD Standards and which shall be administered by the Owner, Developer(s) and/or the Association, and which guidelines may be modified in the future at the discretion of the Owner and/or Developer(s) to meet market conditions. These architectural guidelines must meet the minimum standards set forth in the MZDO for architectural review. Owner and/or Developer shall be responsible for assuring such modifications are in compliance with the Zoning Regulations.

6. The City agrees to allow plat recording with a bond of 125% of the infrastructure cost prior to completion of infrastructure development and to issue building permits and permit sale of lots prior to completion of such bonded infrastructure; in accordance with the MZDO as modified by the PDD Standards for this Property.

7. The City agrees the Property shall be governed by the Zoning Regulations.

8. The City agrees that the Property is approved and fully vested for intensity, density, development fees, uses and height, and shall not have any City obligations for any off-site transportation or other facilities or improvements other than as provided in this Agreement, but must adhere to the current PDD Standards, subdivision plat, and development plan procedural guidelines in accordance with the then current MZDO. The City may not impose additional development obligations or regulations in connection with the ownership or development of the Property, except in accordance with the procedures and provisions of § 6-31-80 (B) of the Act, which the Owner shall have the right to challenge.

9. Roadways (public or private) may utilize swale drainage systems and are not required to have raised curb and gutter systems, provided that pedestrian and non-vehicular pathways or sidewalks are provided in order to provide interconnectivity between interior subdivisions, commercial or institutional areas and public gathering areas. Roadway cross sections utilizing swale drainage will be designed, constructed, and maintained to meet Best Management Practice standards (imposed by regulatory agencies) for stormwater quality. Roadway cross sections will be reviewed at time of proposed construction of such Roadway based upon engineering and planning standards consistent with the PDD Plan prepared by Developer(s), subject to the approval of the City planner.

10. All plan review fees shall be consistent with the fees charged generally in the City.

XIV. DEVELOPER ENTITLEMENTS:

City acknowledges that Owner/Developer(s) is/are vested with the following entitlements:

1. The City will, to the extent available, promote public transportation which exists within the City to service the Property.

2. The City agrees to grant a non-exclusive franchise for an on-site telecommunications company to Owner on terms consistent with then current franchise agreements. The City acknowledges that the Owner shall not be required to provide easements to any utility companies other than over public streets which may be located within the Property. The City agrees that, upon the request of the Owner, the City will grant easements within public rights-of-way to telecommunication providers which Owner authorizes to provide service within the Property, upon payment of applicable franchise fees to the City. Additionally, the City agrees that it will franchise on terms consistent with then current franchise agreements to such party providing telecommunication services to the Property, a franchise to enable such company to perform such service; provided, however, the City shall have the right to grant other franchises to third party telecommunication companies providing telecommunication services within the City.

3. All drainage systems constructed within the Project shall be owned and maintained by the Owner, its assigns, or one (1) or more Association(s) which may be established for various portions of the Property and the City shall have no responsibility for the construction, operation or maintenance of such systems. Such systems shall be constructed in compliance with any applicable federal, state, or local requirements, as set forth in the Zoning Regulations.

4. Sidewalks will be governed by the terms of the Zoning Regulations.

5. On-site burning will be permitted within the Property upon obtaining applicable federal, state and local permits.

6. The City agrees to cooperate with the Owner and each Developer with applicable County, State, Federal, and local roadway permitting in connection with the development of portions of the Property.

7. The Owner or its written designee may own and operate an internal irrigation company and system that serves the Property, and the City will grant a franchise and such easements over public rights-of-way as may be reasonably required by the Owner (or its

designee) to implement such irrigation system. The City agrees to cooperate with the Owner in connection with providing such irrigation water in connection with the Development of the Property.

8. City services, including, but not limited to, police, fire, sanitation, recreation and other governmental services shall be supplied to the Property in the same manner and to the same extent as provided to other properties within the City, subject to the limitations (if any) of provided in this document. Subject to such limitations(if any), should the Owner require enhanced services beyond that which is routinely provided within the City, then the City agrees that upon the written request of Owner, it shall negotiate in good faith with the Owner to provide such enhanced services to the Property. Any enhanced services shall be provided at the sole cost of the Owner.

XV. COMPLIANCE REVIEWS.

As long as Owner owns any of the Property, Owner or their designees, shall meet with the City, or its designee, at least once, per year, during the Term to review Development completed by Owner in the prior year and the Development anticipated to be commenced or completed by Owner in the ensuing year. The Owner, or its designee, shall provide such information as may reasonably be requested, to include but not be limited to, acreage of the Property sold in the prior year, acreage of the Property under contract, the number of certificates of occupancy issued in the prior year, and the number anticipated to be issued in the ensuing year, Development Rights transferred in the prior year, and anticipated to be transferred in the ensuing year. The Owner shall provide to the City an estimate of the upcoming year's development schedule as provided in **Exhibit D** to the City during each compliance review meeting. The Owner, or its designee, shall be required to compile this information within a reasonable time after written request by the City.

XVI. DEFAULTS.

The failure of the Owner, Developer or the City to comply with the terms of this Agreement not cured within thirty (30) days after written notice from the non-defaulting party to the defaulting party (as such time period may be extended with regard to non-monetary breaches or a reasonable period of time based on the circumstances, provided such defaulting party commences to cure such breach within such thirty [30] day period and is proceeding diligently and expeditiously to complete such cure) shall constitute a default, entitling the non-defaulting party to pursue such remedies as deemed appropriate, including specific performance; provided however no termination of this Agreement may be declared by the City absent its according the Owner and any relevant Developer(s) the notice, hearing and opportunity to cure in accordance with the Act; and provided any such termination shall be limited to the portion of the Property in default, and provided further that nothing herein shall be deemed or construed to preclude the City or its designee from issuing stop work orders or voiding permits issued for Development when such Development contravenes the provisions of the Zoning Regulations or this Agreement. A default of the Owner shall not constitute a default by Developer(s), and default by Developer(s) shall not constitute a default by the Owner.

XVII. MODIFICATION OF AGREEMENT.

1. This Agreement may be modified or amended only by the written agreement of the City and the Owner; such written agreement may be by resolution or ordinance at the City's sole discretion. No statement, action or agreement hereafter made shall be effective to change, amend, waive, modify, discharge, terminate or effect an abandonment of this Agreement in whole or in part unless such statement, action or agreement is in writing and signed by the party against whom such change, amendment, waiver, modification, discharge, termination or abandonment is sought to be enforced.

2. This Agreement may be modified or amended as to a portion of the Property only by the written agreement of the City and the Owner(s) of said portion of the Property. No statement, action or agreement hereafter made shall be effective to change, amend, waive, modify, discharge, terminate, or effect an abandonment of this Agreement in whole or in part unless such change, amendment, waiver, modification, discharge, termination, or abandonment is sought to be enforced. If an amendment affects less than all the persons and entities

comprising the Property Owners, then only the City and those affected persons or entities need to sign such written amendment.

3. Because this Agreement constitutes the plan for certain planned unit development under the Zoning Regulations, minor modifications to a site plan or to development provisions may be made without a public hearing or amendment to applicable ordinances. Any requirement of this Agreement requiring consent or approval of one of the Parties shall not require amendment of this Agreement unless the text expressly requires amendment, and such approval or consent shall be in writing and signed by the affected parties. Wherever said consent or approval is required, the same shall not be unreasonably withheld.

4. The Concept Plan is not intended to be rigid, exact site plans for future development. The location of roads, buildings, recreational amenities and other elements may vary at the time of permit applications when more specific designs are available, as long as the maximum densities set herein, and the general concept of environmentally sensitive residential and commercial developments suggested by the Concept Plan and master plans are followed and respected. Such variations are to be considered minor and will be approved at the staff review level in accordance with the Zoning Regulations.

XVIII. NOTICES.

Any notice, demand, request, consent, approval or communication which a signatory party is required to or may give to another signatory party hereunder shall be in writing and shall be delivered or addressed to the other at the address below set forth or to such other address as such party may from time to time direct by written notice given in the manner herein prescribed, and such notice or communication shall be deemed to have been given or made when communicated by personal delivery or by independent courier service or by facsimile or if by mail on the fifth (5th) business day after the deposit thereof in the United States Mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, consents, approvals or communications to the City shall be addressed to the City at:

Michael J. Czymbor
Hardeeville City Manager
205 Main Street
Post Office Box 609
Hardeeville, South Carolina 29927

With Copy To: Prina C. Maines
Hardeeville City Attorney
205 Main Street
Post Office Box 609
Hardeeville South Carolina 29927

And to the Owner at: Bryan McClure
Firefly Investments, LLC
20 Towne Center Drive, Suite 230
Bluffton, SC 29910

Phillip Jaffe
HHI 226, LLC
2800 Niagara Lane North
Plymouth, MN 55447

With Copy To: Brandon W. Smith, Esq.
Smith Law, LLC
Post Office Drawer 1023
Beaufort, South Carolina 29901

XIX. ENFORCEMENT.

Any party hereto shall have the right to enforce the terms, provisions, and conditions of this Agreement (if not cured within the applicable cure period) by any remedies available at law or in equity, including specific performance, and the right to recover attorney's fees and costs associated with said enforcement.

XX. GENERAL.

A. Subsequent Laws. In the event state or federal laws or regulations are enacted after the execution of this Agreement or decisions are issued by a court of competent jurisdiction which prevent or preclude compliance with the Act or one or more provisions of this Agreement ("New Laws"), the provisions of this Agreement shall be modified or suspended as may be necessary to comply with such New Laws. Immediately after enactment of any such New Law, or court decision, a party designated by the Owners and Developer(s) and the City shall meet and confer in good faith in order to agree upon such modification or suspension based on the effect such New Law would have on the purposes and intent of this Agreement. During the time that these parties are conferring on such modification or suspension or challenging the New Laws, the City may take reasonable action to comply with such New Laws. Should these parties be unable to agree to a modification or suspension, either may petition a court of competent jurisdiction for an appropriate modification or suspension of this Agreement. In addition, the Owner(s), developers and the City each shall have the right to challenge the New Law preventing compliance with the terms of this Agreement. In the event that such challenge is successful, this Agreement shall remain unmodified and in full force and effect.

B. Estoppel Certificate. The City, the Owner or any Developer(s) may, at any time, and from time to time, deliver written notice to the other applicable party requesting such party to certify in writing:

- (1) that this Agreement is in full force and effect,
- (2) that this Agreement has not been amended or modified, or if so amended, identifying the amendments,
- (3) whether, to the knowledge of such party, the requesting party is in default or claimed default in the performance of its obligations under this Agreement, and, if so, describing the nature and amount, if any, of any such default or claimed default, and

(4) whether, to the knowledge of such party, any event has occurred or failed to occur which, with the passage of time or the giving of notice, or both, would constitute a default and, if so, specifying each such event.

C. Entire Agreement. This Agreement sets forth and incorporates by reference all of the agreements, conditions, and understandings among the City and the Owner relative to the Property and its Development and there are no promises, agreements, conditions, or understandings, oral or written, expressed or implied, among these parties relative to the matters addressed herein other than as set forth or as referred to herein.

D No Partnership or Joint Venture. Nothing in this Agreement shall be deemed to create a partnership or joint venture between the City, the Owner, or any Developer(s) or to render such party liable in any manner for the debts or obligations of another party.

E. Exhibits. All exhibits attached hereto and/or referred to in this Agreement are incorporated herein as though set forth in full.

F. Construction. The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits hereto.

G. Assignment. The sale, transfer or assignment of all or any portion of the Property or creation of a joint venture or partnership shall not require the amendment of this Agreement. Subject to the notification provisions hereof, Owner may assign its rights and responsibilities hereunder to a subsidiary or sister company, or subsequent land Owners and Developers.

H. Right to Assign. Owner shall have the right to sell, transfer, ground lease, or assign Development Rights associated with the Property in whole or in part to any Person (an "Assignee") upon written notice to the City in accordance with the notification

provisions of this Agreement; provided, however, that the sale, transfer, or assignment of any right or interest under this Agreement shall be made only together with the sale, transfer, ground lease, or assignment of all or a portion of the Property subdivided in accordance with subdivision plats approved under Zoning Regulations. Concurrently with such sale, transfer, ground lease, or assignment, Owner shall (a) notify the City in writing of such sale, transfer, or ground lease, and (b) Owner and Assignee shall provide a written assignment and assumption agreement in a form reasonably acceptable to the City pursuant to which the Assignee shall assume and succeed to the rights, duties, and obligations of Owner with respect to the parcel or parcels of all or a portion of the Property so purchased, acquired, or leased. Owner shall continue to be obligated under this Agreement with respect to all portions of the Property retained by Owner.

H. Governing Law. This Agreement shall be governed by the laws of the State of South Carolina.

I. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute but one and the same instrument.

J. Agreement to Cooperate. In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the parties hereby agree to cooperate in defending such action; provided, however, each party shall retain the right to pursue its own independent legal defense. If the City's involvement in litigation or challenge is at the request of the Owner/Developer and/or the City becomes a party to litigation or challenge at the request of the Owner/Developer, the Owner/Developer shall reimburse the City for its legal costs associated with such challenge or litigation. The Owner/Developer may be required to make a deposit of such in advance with the City.

K. Eminent Domain. Nothing contained in this Agreement shall limit, impair or restrict the City's right and power of eminent domain under the laws of the State of South Carolina.

L. No Third Party Beneficiaries. The provisions of this Agreement may be enforced only by the City, the Owner and Developers. No other persons shall have any rights hereunder.

M. Effective Date . The Effective Date of this Agreement shall be the date the Agreement is signed by all parties, and if the parties do not sign on the same date, the date on which it is signed by the last party.

N. Approvals. For any approval required to be given by a party or their successors and/or assigns, such approval shall not be unreasonably withheld.

O. Hierarchy of Documents. In the event of a conflict among the documents, the hierarchy of documents is: 1) the Development Agreement; 2) the PDD Standards; and 3) the MZDO; and 4) other applicable statutes, ordinances, and regulations governing development and uses for the Property. In the event of an omission, the MZDO shall govern. To the extent of ambiguity, the parties shall attempt to review same consistent with the terms of the PDD Standards and the MZDO.

P. Adjacent Property . In the event Owner or a Developer, as applicable, acquires real property adjacent to the Property, City agrees to allow Owner or a Developer, as applicable, to subject such real property to the terms of this Development Agreement and the PDD Standards by an amendment to this Development Agreement subject to the approval of the City and Owner or Developer, as applicable.

XXI. STATEMENT OF REQUIRED PROVISIONS

A. Specific Statements. The Act requires that a development agreement must include certain mandatory provisions, pursuant to Section 6-31-60 (A). Although certain of these items are addressed elsewhere in this Agreement, the following listing of the required provisions is set forth for convenient reference. The numbering below corresponds to the numbering utilized under Section 6-31-60 (A) for the required items:

1. **Legal Description of Property and Legal and Equitable Owners.** The legal description of the Property is set forth in **Exhibit A** attached hereto. The present legal Owners of the Property are Firefly Investments LLC and HHI 226, LLC.
2. **Duration of Agreement.** The duration of this Agreement shall be as provided in Article III.
3. **Permitted Uses, Densities, Building Heights and Intensities.** A complete listing and description of permitted uses, population densities, building intensities and heights, as well as other development related standards, are contained in Zoning Regulations, as supplemented by this Agreement.
4. **Required Public Facilities.** The utility services available to the Property are described generally above regarding water service, sewer service, cable and other telecommunication services, gas service, electrical services, telephone service and solid waste disposal. The mandatory procedures of the Zoning Regulations will ensure availability of roads and utilities to serve the residents on a timely basis.
5. **Dedication of Land and Provisions to Protect Environmentally Sensitive Areas.** All requirements relating to land transfers for public facilities, if any, are set forth in Article XII above. The Zoning Regulations described above, and incorporated herein, contain numerous provisions for the protection of environmentally sensitive areas. All relevant State and Federal laws will be fully complied with, in addition to the important provisions set forth in this Agreement.
6. **Local Development Permits.** The Development standards for the Property shall be as set forth in the Zoning Regulations. Specific permits must be obtained prior to commencing Development, consistent with the

standards set forth in the Zoning Regulations. Building Permits must be obtained under applicable law for any vertical construction, and appropriate permits must be obtained from the DHEC and Army Corps of Engineers, when applicable, prior to any impact upon freshwater wetlands. It is specifically understood that the failure of this Agreement to address a particular permit, condition, term or restriction does not relieve the Owner(s), its successors and assign, of the necessity of complying with the law governing the permitting requirements, conditions, terms or restrictions, unless otherwise provided hereunder.

7. **Comprehensive Plan and Development Agreement.** The Development permitted and proposed under the Zoning Regulations and permitted under this Agreement is consistent with the Comprehensive Plan and with current land use regulations of the City, which include the Planned Development District Standards for the Property.

8. **Terms for Public Health, Safety and Welfare.** The City Council finds that all issues relating to public health, safety and welfare have been adequately considered and appropriately dealt with under the terms of this Agreement, the Zoning Regulations and existing laws.

9. **Historical Structures.** Any cultural, historical structure or sites will be addressed through applicable federal and state regulations the permitting process at the time of development.

IN WITNESS WHEREOF, the parties hereby set their hands and seals, effective the date first above written.

SIGNATURES AND ACKNOWLEDGMENTS BEGIN ON THE FOLLOWING PAGE

WITNESSES:

FIREFLY INVESTMENTS, LLC

By: _____

Its: _____

STATE OF SOUTH CAROLINA.

)

COUNTY OF JASPER

)

ACKNOWLEDGMENT

I HEREBY CERTIFY, that on this ____ day of _____, 2022. before me, the undersigned Notary Public of the State and County aforesaid, personally appeared the duly authorized official of Gateway Oasis I LLC, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within document, who acknowledged the due execution of the foregoing document.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public for South Carolina

My Commission Expires: _____

WITNESSES:

HHI 226 LLC

By: _____

Its: _____

STATE OF SOUTH CAROLINA.

)

ACKNOWLEDGMENT

COUNTY OF JASPER

)

I HEREBY CERTIFY, that on this ____ day of _____, 2022. before me, the undersigned Notary Public of the State and County aforesaid, personally appeared the duly authorized official of Gateway Oasis I LLC, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within document, who acknowledged the due execution of the foregoing document.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public for South Carolina

My Commission Expires: _____

WITNESSES:

HARDEEVILLE, SOUTH CAROLINA

By: _____

Its: _____

STATE OF SOUTH CAROLINA.

)

ACKNOWLEDGMENT

)

COUNTY OF JASPER

)

I HEREBY CERTIFY, that on this ____ day of _____, 2022. before me, the undersigned Notary Public of the State and County aforesaid, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within document, as the appropriate officials of the City of Hardeeville, South Carolina, who acknowledged the due execution of the foregoing document.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above mentioned.

Notary Public for South Carolina
My Commission Expires: _____

EXHIBIT A
TO DEVELOPMENT AGREEMENT
PROPERTY DESCRIPTION OF SOUTHPOINT

Southpoint Legal Description

EXHIBIT B
TO DEVELOPMENT AGREEMENT
PLANNED DEVELOPMENT DISTRICT

The Planned Development District approval for Southpoint (the Property hereunder), as approved by the City Council on _____, 2022, is hereby incorporated herein by reference, to include all drawings, plans, narratives and documentation submitted therewith, as fully as if attached hereto. The parties hereto may elect to physically attach said documents hereto, or may rely upon the above stated incorporation by reference, at their discretion.

EXHIBIT C
TO DEVELOPMENT AGREEMENT
Zoning Regulations

1. The provisions contained in this Development Agreement.
2. The Municipal Zoning and Development Ordinance of the City of Hardeeville, as codified through Supplement 21.
3. The Planned Development District (PDD) dated _____ 2022, and adopted by the City of Hardeeville on _____, 2022, by Ordinance Numbers

EXHIBIT D

TO DEVELOPMENT AGREEMENT

**DEVELOPMENT
SCHEDULE**

Development of the property is expected to occur over approximately an eight (8) year period, which is within the term of the Development Agreement as defined in Section III. The sequence and timing of the development activity will be dictated largely by market conditions. The following estimate of activity is hereby included, to be updated by Owner, Developer(s), or any subsequent Developer(s), as applicable as the development evolves over the term.

| Development Phase | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|-------------------|------|------|------|------|------|------|------|------|
| Phase 1 | X | X | | | | | | |
| Phase 2 | | | X | X | | | | |
| Phase 3 | | | | | X | X | | |
| Phase 4 | | | | | | | X | X |