

DOUGLAS BLOCK SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (the “DB Settlement Agreement”) made and entered into to be effective as of the 24th day of July, 2017, among the **CITY OF ROCKY MOUNT (“City”) and ROCKY MOUNT/EDGECOMBE COMMUNITY DEVELOPMENT CORPORATION (“RMECDC”), RME MANAGER, LLC (“RME”), DOUGLAS BLOCK LANDLORD, LLC (“DBL”), and DB TENANT, LP (“DBT”)** (RMECDC, RME, DBL and DBT are collectively referred to as the “DB Entities”).

WITNESSETH:

WHEREAS, City is the owner of certain real property located in Rocky Mount, NC (Exhibit A) (the “DB Property”), which was a portion of the historic African-American business district commonly referred to as the “Douglas Block”;

WHEREAS, City undertook the redevelopment of the DB Property into a mixed use facility in accordance with a redevelopment plan approved by City (the “DB Project”);

WHEREAS, City and RMECDC worked together to obtain financing for the DB Project and developing the strategy for the redevelopment of the DB Property;

WHEREAS, RME is a wholly owned subsidiary of RMECDC;

WHEREAS, City, RMECDC and RME entered into a Memorandum of Agreement dated August 10, 2009 (the “MOA”) that memorialized their respective roles, responsibilities and expectations with respect to the redevelopment of the DBP;

WHEREAS, City, RMECDC and RME entered into a First Amended and Restated Memorandum of Agreement dated December 29, 2009 that amended and restated their

respective roles, responsibilities and expectations with respect to the redevelopment of the DBP (“FAMOA”);

WHEREAS, DBL was organized to acquire title to the DB Property and assist in the redevelopment of the DB Project;

WHEREAS, title to the buildings and improvements (“DB Buildings”) located on the DB Property was conveyed to DBL through a deed recorded on December 29, 2009 at Deed Book 1547, Page 356 of the Edgecombe County Register of Deeds (the “DB Building Deed”);

WHEREAS, the DB Property was leased to DBL pursuant to a Ground Lease Agreement dated December 29, 2009 (the “GL”) and the GL was amended pursuant to the First Amendment to Ground Lease dated November 26, 2012 (“GLFA”) (the GL and the GLFA are collectively referred to as the “Ground Lease”);

WHEREAS, the DB Property and the DB Buildings were leased by DBL to DBT pursuant to a Master Lease dated December 29, 2009 (the “ML”) (the DB Property and the DB Buildings subject to the ML are collectively referred to as the “DB Premises”) and the ML was amended pursuant to the First Amendment to Master Lease dated December 1, 2012 (“MLFA”) and further amended pursuant to the Second Amendment to Master Lease dated June 26, 2013 (“MLSA”) (the ML, MLFA and MLSA are collectively referred to as the “Master Lease”);

WHEREAS, RME serves as the Managing Member of DBL and the co-general partner of DBT;

WHEREAS, DBT has from time to time entered into sub-leases with various third-parties (“Subtenants”) for the DB Premises;

WHEREAS, City and DBL entered into a Parking Agreement dated December 29, 2009 regarding DBL contracting with City for City to operate, manage and maintain the Parking Lot described therein (the “DB Parking Agreement”);

WHEREAS, certain disputes have arisen between City and the DB Entities regarding the development and operation of the DB Property and the DB Project;

WHEREAS, the parties reached a full and final resolution and settlement of all claims between them pursuant to a Mediated Settlement Conference held on July 6, 2017 in Rocky Mount, North Carolina and the terms of that resolution and settlement were incorporated into a Settlement Agreement (Exhibit B) and the parties wish to further evidence the terms of the Settlement Agreement by entering into this DB Settlement Agreement;

NOW, THEREFORE, in consideration of the promises and the mutual releases contained herein, and other valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. **Collapse Documents:** City and the DB Entities agree to execute and deliver to City any and all documents necessary to cease all membership interests of DBL and DBT, which are to be transferred to City, and otherwise to collapse the DB Project, the DB Property, and the DB Premises with title to and full control of the DB Project, DB Property and DB Premises being vested in City, free and clear of all liens and encumbrances, other than those in connection with the DB Project. These documents include, but are not limited to, the following documents:
 - a. **Partnership/LLC Interest Transfer Documents**
 - i. Partnership Interest Assignment - DBT (from RME to City)
 - ii. Membership Interest Assignment – DBL (from RME to City)

- b. Cancellation of New Market Tax Credit Loans (“NMTC”)
 - i. Cancellation of NMTC Promissory Notes and Loan Documents
 - ii. Satisfaction of Deed of Trust (Fee Interest in DB Buildings)
 - iii. Satisfaction of Deed of Trust (Leasehold Interest in the DB Premises)
 - iv. UCC-3 Termination Statements
- c. Termination of Agreements
 - i. Ground Lease (which has previously been terminated by City and DBL, but as to additional documents that may be required)
 - ii. Memorandum of Ground Lease
 - iii. Master Lease
 - iv. Memorandum of Master Lease
 - v. DB Parking Agreement
 - vi. FAMOA
- d. Transfer Documents.
 - i. Deed of Improvements (transferring ownership of buildings/other improvements from DBL to City)
 - ii. Bill of Sale (transferring all personal and other property from DBL to City)
- e. Dissolution
 - i. DBT
 - ii. DBL

The foregoing executed documents shall be delivered to City within 10 days following the execution of the DB Settlement Agreement.

2. Management Fee: City will pay RMECDC a fee for management of the DB Project in the amount of \$25,000.00 and such payment will be made within 10 days following the execution of this DB Settlement Agreement and any document required to be executed as part of the DB Settlement Agreement.

3. Management Responsibilities: Any management responsibilities of RMECDC or RME shall terminate by the earlier of July 31, 2017 or upon execution of any document required to be executed as part of the DB Settlement Agreement. The DB Entities shall provide to City all documents related to the management, operation and/or financing for the DB Project, DB

Property, DB Premises, the Ground Lease, the Master Lease and any subleases with Subtenants within 20 days of execution of the DB Settlement Agreement and any document required to be executed as part of the DB Settlement Agreement.

4. Conveyance of Parcel by City: City shall convey that certain real property located in Rocky Mount, NC, located adjacent to the Booker T. Theater (the “BTT Lot”) (Exhibit C) within 30 days of execution of the DB Settlement Agreement and any document required to be executed as part of the DB Settlement Agreement by a Special Warranty Deed (Containing Automatic Reversionary Rights) (“BTT Lot Deed”) to RMECDC free and clear of all liens with the BTT Lot being subject to the following conditions, each of which shall be included in the BTT Lot Deed:

a. The BTT Lot shall be subject to all covenants, restrictions and declarations that are of public record as of the date the deed conveying the BTT Lot is executed by City.

b. RMECDC and any subsequent purchaser or owner of the BTT Lot shall be limited to developing or improving the BTT Lot in such a manner as is consistent with City’s redevelopment plan for the DB Project.

c. RMECDC and any subsequent purchaser or owner of the BTT Lot shall be have 30 months from the date City executes and delivers the deed conveying the BTT Lot to RMECDC to obtain a building permit for the construction of the improvement approved by City and located on the BTT Lot and such construction must be completed and a Certificate of Occupancy issued within 18 months of the date the building permit is issued. If RMECDC or any subsequent purchaser fails to obtain a building permit within

the time described above or if RMECDC or any subsequent purchaser fails to obtain a Certificate of Occupancy within the time described above (the “Determinable Conditions”), then all rights conveyed through the BTT Lot Deed shall automatically expire and title to the BTT Lot shall automatically revert to City and RMECDC agrees to and shall have the BTT Lot free and clear of all liens at such time.

d. RMECDC agrees to and shall include the above conditions in any contract to sell or lease the BTT Lot and in any deed or lease conveying any interest in the BTT Lot to any purchaser or third-party.

5. Payment by City: City shall pay to RMECDC \$150,000.00 within 30 days of execution of the DB Settlement Agreement and any documents required to be executed as part of the DB Settlement Agreement. City shall then also make the following payments to RMECDC:

- a. \$75,000.00 on or before July 15, 2018
- b. \$75,000.00 on or before January 15, 2019
- c. \$62,500.00 on or before July 15, 2019
- d. \$62,500.00 on or before January 15, 2020

6. DB Project Advisory Board: City agrees to create a “Douglas Block Advisory Board” (“DBAB”) consisting of six members and that RMECDC shall have the right to nominate for appointment by City up to three members on the DBAB, who shall be representatives of RMECDC, commercial, and residential tenants of the DB Project. City shall appoint all members of the DBAB. The DBAB shall be an advisory board only and shall not have any authority to bind City or itself as to any financial or contractual undertaking or in any other way.

The DBAB shall terminate 48 months following the recordation of the deed conveying the BTT Lot to RMECDC, unless terminated earlier by a 2/3 vote of the DBAB's members.

7. Housing Counseling Center and Business Development Center: City will continue existing Community Development Block Grant funding for RMECDC's Housing Counseling Center and Business Development Center ("CDC Centers") subject to grant availability, subject to annual appropriation by City and City's determination that the CDC Centers are being operated in an effective manner.

8. Commercial Development Manager: City will continue the existing relationship with RMECDC with respect to the Commercial Development Manager pursuant to the existing Commercial Development Manager Memorandum of Understanding (Exhibit D).

9. Ongoing Relationship between City and RMECDC: City and RMECDC agree to cooperate with respect to such future undertakings as are mutually agreeable between the parties.

10. Release by City: City, in consideration of the covenants and agreements contained herein and other good and valuable consideration, does forever release, acquit and discharge the DB Entities, their personal representatives, officers, directors, members, employees, agents, predecessors, successors and assigns from any and all actions, causes of action, claims, demands, damages, costs, loss of services, defenses, and compensation relating to the ownership or operation of the DB Project, the DB Property or the DB Premises (collectively, the "DB Liability") which have resulted or been incurred or may hereinafter result or be incurred by it, or any party, person, or entity claiming under it.

11. Release by DB Entities: The DB Entities, in consideration of the covenants and agreements contained herein and other good and valuable consideration, do forever release,

acquit and discharge City, its Councilpersons, representatives, officers, employees, agents, predecessors, successors and assigns from any and all actions, causes of actions, claims, demands, damages, costs, loss of services, defenses, and compensation relating to the ownership or operation of the DB Project, the DB Property or the DB Premises (collectively, the “DB Liability”) which have resulted or been incurred or may hereinafter result or be incurred by any of them or any party, person, or entity claiming under them.

12. No Admission. It is understood and agreed by all parties that this Agreement is a compromise of disputed claims, and is not to be construed as an admission of liability on the part of any of the parties hereto, by whom liability is expressly denied.

13. Limitation of Effect. It is acknowledged that the mutual releases herein do not relate to the express written contractual obligations and liabilities of the parties arising under this DB Settlement Agreement and that all parties shall have the right to seek any legal or equitable remedy against the other(s), including but not limited to the right to seek specific performance, as to such obligations.

14. Representations and Warranties. Each of the parties represents and warrants to the other parties as follows:

a. Each of the parties hereto represents and warrants to the other that it has carefully read this DB Settlement Agreement, discussed it with legal counsel, knows the contents thereof, and that the execution of the same has not been due to coercion or duress.

b. Each of RMECDC, RME, DBL and DBT is duly organized and validly existing and the execution and delivery of this DB Settlement Agreement has been duly

approved and authorized by all necessary action required by the organizational documents of such entity.

15. Counterparts: This DB Settlement Agreement may be executed in multiple counterparts and shall be binding upon all parties when all parties have signed a counterpart hereof and for all intents and purposes as if all of the parties had signed a single document.

16. Governing Law: This DB Settlement Agreement shall be interpreted and construed in accordance with the laws of the State of North Carolina, notwithstanding the principles of conflicts of law.

17. Entire Agreement: This DB Settlement Agreement constitutes the entire agreement among the parties hereto on the matters set forth herein, and all prior discussions and representations about the matters set forth herein are merged herein. There are no representations, arrangements, understandings, or agreements, oral or written, relating to the subject matter of this DB Settlement Agreement, except those expressed in this DB Settlement Agreement.

18. Construction: All uses of the singular number herein shall include the plural as the context may require and the use of the masculine or neuter gender shall include the feminine, neuter and masculine gender, as applicable.

19. Waivers: No consent or waiver, express or implied, by any party to or for any breach or default by any other party in the performance by such other party of its obligations under this DB Settlement Agreement shall be effective unless in writing, and no consent or waiver, express or implied, shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party of the same or any other

obligations of such other party. Failure on the part of any party to complain of any act or failure to act of any of the other parties or to declare any of the other parties in default, regardless of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

20. Binding Effect: This DB Settlement Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, the parties have executed this DB Settlement Agreement as of the day and year first above written.

[THE SIGNATURES ARE ON SEPARATE PAGES ATTACHED HERETO]

SIGNATURE PAGE FOR DOUGLAS BLOCK SETTLEMENT AGREEMENT
AND MUTUAL RELEASE DATED AS OF JULY 24th, 2017

CITY OF ROCKY MOUNT

By: David W. Combs
Name: David W. Combs
Title: Mayor

ROCKY MOUNT/EDGEcombe COMMUNITY
DEVELOPMENT CORPORATION

By: RME CDC
Name: Janice Scola
Title: President / CEO

RME MANAGER, LLC

By: RME CDC
Name: Janice Scola
Title: President / CEO

DOUGLAS BLOCK LANDLORD, LLC

By: Douglas Block Landlord, LLC, by RME Manager
Name: Janice M. Scola
Title: President / CEO
by RME CDC

DB TENANT, a General Partnership

By: DB Tenant, by RME Manager
Name: Janice Scola
Title: President
By RME CDC

EXHIBIT A

DB Property (See attached)

EXHIBIT B

Mediated Settlement Conference Settlement Agreement (See attached)

EXHIBIT C

BTT Lot description

Lots PIN 385070175300 and 385070178200 as identified by Edgecombe County Tax office records.

EXHIBIT D

Commercial Development Manager Memorandum of Understanding (See attached)

6048986

**EXHIBIT A**

All that certain tract or parcel of land located in Number 12 Township, Edgecombe County, and being more particularly described as follows:

Parcel 1

Beginning at an iron pin found at the intersection of the southern right of way of E. Thomas Street and the eastern right of way of Albemarle Avenue; thence along the southern right of way of E. Thomas Street South 71 degrees 59 minutes 31 seconds East 60.90 feet to a pk nail set; thence South 16 degrees 31 minutes 51 seconds West 59.85 feet to an iron pin set in the northern right of way of an unnamed alley; thence along the northern right of way of said unnamed alley South 89 degrees 59 minutes 50 seconds West 63.35 feet to a pk nail set in the eastern right of way of Albemarle Avenue; thence along the eastern right of way of Albemarle Avenue North 16 degrees 25 minutes 19 seconds East 79.45 feet to the point of beginning, containing 4,235 square feet or 0.0972 acres and being all of tax parcel 3850 70 2582 and all of tax parcel number 3850 70 3511 Deed book 1481 page 0001, Number 12 Township, Edgecombe County, North Carolina, and being all of Parcel 1, as shown by plat of survey entitled, "ALTA Survey of Property of The City of Rocky Mount (Douglas Block)," by Joyner Keeny, PLLC, dated December 28, 2009.

Parcel 2

Beginning at a pk nail set at the intersection of the northern right of way of E. Thomas Street and the eastern right of way of Albemarle Avenue; thence along the northern right of way of E. Thomas Street South 71 degrees 40 minutes 57 seconds East 95.81 feet to a pk nail set; thence North 17 degrees 56 minutes 16 seconds East 50.00 feet to a rebar with cap set; thence North 71 degrees 40 minutes 57 seconds West 95.48 feet to a pk nail set in the eastern right of way of Albemarle Avenue; thence along the right of way of Albemarle Avenue South 18 degrees 19 minutes 03 seconds West 50.00 feet to the point of beginning and containing 4,782 square feet or 0.1098 acres and being all of tax parcel number 3850 70 3652 Deed book 1511 page 0229 Number 12 Township, Edgecombe County, North Carolina, and being all of Parcel 2, as shown by plat of survey entitled, "ALTA Survey of Property of The City of Rocky Mount (Douglas Block)," by Joyner Keeny, PLLC, dated December 28, 2009.

Parcels 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15

Beginning at a pk nail set at the intersection of the western right of way of Albemarle Avenue and the northern right of way of E. Thomas Street; thence along the western right of way of Albemarle Avenue North 18 degrees 14 minutes 45 seconds East 93.12 feet to a pk nail set; thence North 72 degrees 14 minutes 35 seconds West 44.52 feet to a point; thence North 16 degrees 45 minutes 11 seconds East 46.88 feet to an iron pin set; thence South 72 degrees 14 minutes 41 seconds East 45.74 feet to an iron pin set in the western right of way of Albemarle Avenue; thence along the western right of way of Albemarle Avenue North 18 degrees 14 minutes 45 seconds East 39.57 feet to an iron pin set; thence North 71 degrees 46 minutes 05 seconds West 77.49 feet to an iron pin found; thence North 11 degrees 14 minutes 39 seconds East 152.65 feet to an iron pin set; thence North 71 degrees 48 minutes 01 seconds West 191.46 feet to an iron pin found; thence South 11 degrees 27 minutes 23 seconds West 173.08 feet to an iron pin found; thence North 83 degrees 41 minutes 43 seconds West 64.86 feet to an iron pin set in the eastern right of way of N.E. Main Street; thence along the eastern right of way of N.E. Main Street South 10 degrees 49 minutes 56 seconds West 146.86 feet to a pk nail set in the eastern right of way of N.E. Main Street and the northern right of way of E. Thomas Street; thence along the northern right of way of E. Thomas Street South 71 degrees 45 minutes 14 seconds East 40.00 feet to a pk nail set; thence North 11 degrees 11 minutes 34 seconds East 80.70 feet to a point; thence South 71 degrees 47 minutes 07 seconds East 79.63 feet to an iron pin set; thence North 11 degrees 07 minutes 18 seconds East 25.5 feet to an iron pin set; thence South 83 degrees 28 minutes 59 seconds East 39.70 feet to an iron pin set;

BOOK 1547 PAGE 0368

thence South 18 degrees 20 minutes 36 seconds West 113.50 feet to a pk nail set in the northern right of way of E. Thomas Street; thence along the Thomas Street South 71 degrees 45 minutes 15 seconds East 46.36 feet to an iron pin set; thence North 17 degrees 00 minutes 38 seconds East 138.31 feet to an iron pin set; thence South 71 degrees 47 minutes 43 seconds East 39.68 feet to an iron pin set; thence South 16 degrees 52 minutes 46 seconds West 138.34 feet to a pk nail set; thence along the northern right of way of E. Thomas Street South 71 degrees 45 minutes 15 seconds East 80.00 feet to the point of beginning, containing 67,750 square feet or 1.555 acres and as shown by plat of survey entitled, "ALTA Survey of Property of The City of Rocky Mount (Douglas Block)," by Joyner Keeny, PLLC, dated December 28, 2009.

The foregoing also being the following tax parcels:

being a portion of parcel 3 tax parcel number 3850 70 2722 deed book 1514 page 464,
 being a portion of parcel 4 tax parcel number 3850 70 2659 deed book 1508 page 598,
 being all of parcel 5 tax parcel number 3850 70 1723 deed book 1506 page 1082,
 being a portion of parcel 6 tax parcel number 3850 70 0872, deed book 1511 page 235,
 being a portion of parcel 7 tax parcel number 3850 70 0716 deed book 1508 page 614,
 being a portion of parcel 8 tax parcel number 3850 70 0735 deed book 1511 page 0232,
 being a portion of parcel 9 tax parcel number 3850 70 0755 deed book 1516 page 329,
 being a portion of parcel 10 tax parcel number 3850 70 0775 deed book 1506 page 1075,
 being a portion of parcel 11 tax parcel number 3850 71 3129 deed book 1420 page 093,
 being a portion of parcel 12 tax parcel number 3850 70 1753 deed book 1520 page 205,
 being all of parcel 14 an unnamed, approximately 12 foot wide alley,
 being a portion of parcel 15 tax parcel number 3850 70 2870 deed book 938 page 434(parcel 2) and
 being located in Number 12 Township, Edgecombe County, North Carolina.

(6) 29th M - Joyner & Spruill
 PO Box 353
 RMT, NC 27802-0353

(B)

SETTLEMENT AGREEMENT

THIS AGREEMENT has been entered into between the City of Rocky Mount ("PLAINTIFF") and Rocky Mount Edgecombe Community Development Corporation ("DEFENDANT") as a result of a mediated settlement conference completed upon the date subscribed below.

RMECDL
and all
Douglas Block
project related
envelopes

City RMECDL
PLAINTIFF and DEFENDANT agree as follows:

1. PLAINTIFF agrees to the following:

City
See attached Ex A

2. DEFENDANT agrees to the following:

RMECDL
See attached Ex A

3. PLAINTIFF and DEFENDANT agree that the proceeds of the check will not be disbursed by PLAINTIFF's attorney until such time as a release and dismissal with prejudice, or consent judgment, have been executed and the dismissal or consent judgment filed with the appropriate court, and the release and filed copies of the dismissal or consent judgment forwarded to DEFENDANT's attorney.

NA
see Ex
A for
payment
details

City RMECDL
4. Any and all claims which PLAINTIFF and DEFENDANT may have against one another, ~~described in the litigation pending in the Superior Court, case number _____~~ will, after distribution of funds and execution, filing and delivery of the appropriate ~~release and dismissal with prejudice or consent judgment~~, be settled and discharged completely. Settlement documents


5. The parties shall be separately responsible for their own attorney's fees and the costs of the case.

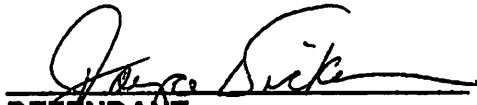
6. The parties acknowledge that the mediator has advised them by this document to consult their individual legal counsel before executing this agreement.

City RMECDL
7. PLAINTIFF AND DEFENDANT ACKNOWLEDGE THAT ALL OF THEIR AGREEMENTS REACHED IN THE MEDIATED SETTLEMENT CONFERENCE, AND EVERY PART OF EVERY AGREEMENT SO REACHED, ARE SET OUT ABOVE.

This the 6th day of JULY, 2017.


PLAINTIFF


Attorney for PLAINTIFF


DEFENDANT

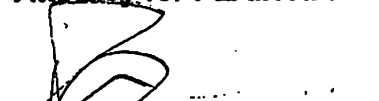

Attorney for DEFENDANT

Exhibit A

- 1) Management Fee of \$25,000 to be paid by City to RMECDC within 10 days following creation of settlement documents.
- 2) Management responsibilities of RMECDC to terminate the earlier of July 31 or upon execution of deeds.
- 3) Out parcel lot adjacent to Booker T. Theater to be conveyed to RMECDC subject to current covenants and any development to be consist with redevelopment plans. Guarantee to break ground within 30 ^{months} ~~days~~ for recording of deed and to complete construction within 18 months after breaking ground or Property will revert to City.
- 4) City to pay RMECDC \$150,000.00 within 30 days of execution of settlement documents. Additional payments of \$75,000.00 each from City to RMECDC on 7/15/2018 ^{changed} 1/15/2019. Additional payments of \$62,500.00 ^{changed} on 7/15/2019 and 1/15/2020.
- 5) City to establish a Douglas Block Advisory Board where at least 50% of board will consist of representatives of RMECDC, commercial and residential tenants.
- 6) CDBG Funding for Housing Counseling Center and Business Development Center to continue subject to grant availability.
- 7) City will continue existing relationships with RMECDC that have supported ^{positive} ~~positive~~ commercial recruitment consistent with Commercial Development Manager.
- 8) Documents necessary to "Collapse" Douglas Block ^{month} ~~month~~ Project to be executed on or before July 24, 2017.
- 9) all settlement terms subject to approval by City Council.

* RMECDC and related entities to produce to City all documents related to the management, operation and/or financing of Douglas Block Project within 20 days of execution of settlement documents.

and subject to annual appropriation.

David W. Cant 7/6/17 JMC 7-17

JMSick
7/6/2017

C

This deed prepared by Poyner Spruill LLP, Rocky Mount City Attorneys, P.O. Box 353, Rocky Mount, NC 27802

**NORTH CAROLINA
EDGECOMBE COUNTY**

**SPECIAL WARRANTY DEED
(CONTAINING AUTOMATIC
REVERSIONARY RIGHTS)**

THIS SPECIAL WARRANTY DEED, made this ____ day of July, 2017, by the **CITY OF ROCKY MOUNT**, a North Carolina municipal corporation located in Nash and Edgecombe Counties, North Carolina ("Grantor"), to **ROCKY MOUNT/EDGECOMBE COMMUNITY DEVELOPMENT CORPORATION**, a North Carolina corporation ("Grantee"). The designation of Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH:

That the Grantor, for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does give, grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in the City of Rocky Mount, Edgecombe County, North Carolina, being known as _____, Rocky

Mount, North Carolina, and being more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Land").

TO HAVE AND TO HOLD the aforesaid lot or parcel of real estate together with all rights, privileges, and appurtenances thereunto belonging to Grantee, its successors and assigns in fee simple with possibility of reverter SO LONG AS (a) within thirty (30) months of the date of this Deed Grantee, or its successor in title, shall obtain a building permit for the construction of improvements on the Land to be approved by the City of Rocky Mount and to be consistent with the City of Rocky Mount's development plans for the Douglas Block, and (b) the construction of such improvements shall have been completed and a certificate of occupancy shall have been issued within eighteen (18) months of the date the building permit is issued (items (a) and (b) being referred to herein as the "Determinable Conditions"). If the Determinable Conditions are not timely satisfied, the foregoing fee simple estate granted hereby shall automatically expire and terminate and title to the Land shall revert to Grantor.

And the Grantor covenants with the Grantee that Grantor has done nothing to impair such title as Grantor received, and Grantor will warrant and defend the title against the lawful claims of all persons claiming by, under or through Grantor, other than the following exceptions:

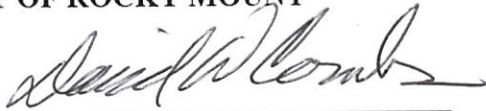
1. Lien of 2017 Ad Valorem Taxes (if applicable);
2. All easements, restrictions, covenants and encumbrances of record in the Edgecombe County Registry affecting the herein described property.
3. Such matters as would be disclosed by a current survey of the property.

The property herein conveyed does not include the primary residence of the Grantor.

(Signature(s) are on the following page.)

IN WITNESS WHEREOF, Grantor has executed this deed in the manner required by law as of the day and year first written above.

CITY OF ROCKY MOUNT

By: 
Mayor

ATTEST:

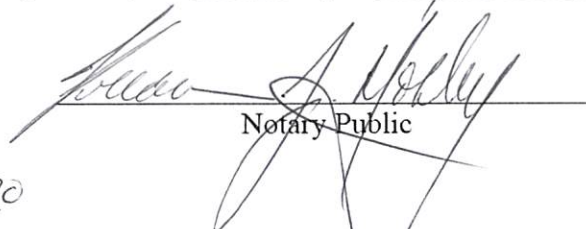

City Clerk

STATE OF NORTH CAROLINA

COUNTY OF Nash

I, Kream J. Mosley, a Notary Public of the County and State aforesaid, do certify that David W. Combs personally came before me this day and acknowledged that he Mayor of the City of Rocky Mount, and that he, as Mayor, being authorized to do so, executed the foregoing instrument on behalf of the City of Rocky Mount.

Witness my hand and official stamp or seal, this 25th day of September, 2017.


Notary Public

My commission expires: 6-28-2020

(NOTARY SEAL)

**KREAM J. MOSLEY
NOTARY PUBLIC
NASH COUNTY, NC**

EXHIBIT A

_____, Rocky Mount, NC

DESCRIPTION OF PROPERTY

Lots PIN 385070175300 and 385070178200 as identified by Edgecombe County Tax office records.

(D)

Memorandum of Agreement

This Memorandum of Agreement, made this 19th day of July 2007, by and between the City of Rocky Mount, a North Carolina Municipal Corporation ("City"), and the Rocky Mount/Edgecombe Community Development Corporation ("RMECDC"), a North Carolina Not For Profit Corporation located in Rocky Mount, North Carolina.

WITNESSETH:

That Whereas, the City is actively involved in and supportive of local economic and community development activities and conducts and assists other local agencies in such development; and

Whereas, the RMECDC has a record of promoting economic development within the community through business development, real estate development, job creation, and other related activities; and

Whereas, the City is desirous of expanding its overall efforts to promote commercial and business development and job creation throughout the City through the initiation of new real estate development and construction; redevelopment, including downtown revitalization; the recruitment of new businesses and the expansion and retention of existing businesses; and

Whereas, the City and RMECDC have a history of mutual cooperation, support and collaboration intended to enhance and improve economic and community conditions within Rocky Mount; and

Whereas, the City and RMECDC propose to partner to create a commercial development function and position to initiate, develop and facilitate increased real estate development and commercial construction projects within the City.

Now, Therefore, the City and the RMECDC do hereby execute this Memorandum of Agreement setting forth their understandings, obligations and responsibilities as enumerated below.

I. Intent of the Parties

- A. To create a commercial development function and position that shall be (1) tasked with initiating, developing and facilitating real estate and commercial development projects within the City, (2) supportive of the City's and RMECDC's economic development activities, roles, responsibilities and interests, and (3) not in conflict with or duplicative of the roles and responsibilities of the Carolinas Gateway Partnership, the Small Business Recruitment Manager (a partnership

of the City and the Chamber of Commerce) or the City's Downtown Development Manager.

- B. Commercial development projects to be in this position's work plan include the Crossing at 64 Shopping Center, the Douglas Block, 147-152 S.W. Main Street in downtown, and the Edgecombe County Business/Industrial Incubator Phase II. Additional projects shall be added to the work plan as approved by the RMECDC President and City Manager.

II. The Position

- A. The Commercial Development Manager shall be a professional position with primary responsibilities for project identification, development and implementation including resource development, pre-development activities, construction, recruitment and retention of commercial and small businesses within the City.
- B. The Commercial Development Manager shall be a staff position of the RMECDC and shall report to and be supervised and directed by the President of the RMECDC.
- C. The Commercial Development Manager, through the President of the RMECDC, shall make regular periodic written reports to the City Manager regarding his or her work, progress and accomplishments, and shall schedule quarterly meetings to establish and maintain regular and effective communications with the City Manager.
- D. Performance of the Commercial Development Manager shall be evaluated at least annually by the RMECDC President, who shall discuss and review the performance evaluation with the City Manager prior to discussing same with the Commercial Development Manager. The RMECDC President, Commercial Development Manager and the City Manager shall establish annual benchmarks, goals and objectives for the position.
- E. Recruitment and selection of a person to fill the position of the Commercial Development Manager shall be the responsibility of the RMECDC President, and the employment decision shall be made upon the approval of the City Manager. The RMECDC President and City Manager shall agree on the position's salary, compensation and expenses.

III. Funding

- A. The City shall financially support the Commercial Development Manager's position by and through an annual budgetary appropriation. Said appropriation shall include salary, benefits and certain business expenses such as travel.
- B. For the remaining portion of FY 07-07 and for 07-09, the City's contribution or funding shall be \$65,000 per year, or \$5,416.66 per month. For any period of time the position is not filled and the incumbent not working in the position, no City payment shall be due or payable. The RMECDC President shall advise the City Manager when the position is filled, when the incumbent reports for work, and when the incumbent ceases to be employed.
- C. City payments will be made monthly to RMECDC in arrears.
- D. Beginning with the budget cycle for FY 06-07, the City Manager shall include in his recommended budget any adjustments in the funding level as he may deem appropriate and justified, as may be requested by the RMECDC President.
- E. The RMECDC President, upon consultation with the City Manager, may reallocate funding appropriated by the City for the position or redirect funds within the budgeted allocation to other expenses associated with the position. City funding may not be used for any purpose not directly associated with the Commercial Development Manager or his or her activities.
- F. The RMECDC shall provide, at no cost to the City, all administrative, secretarial and business expenses (except travel and resource development as may be otherwise provided by the City).
- G. The City shall have no responsibility, obligation or liability for any taxes, insurance, claims, damages, workers' compensation or like expenses of the Commercial Development Manager as same is not a City employee, agent or representative. Likewise, the City is not responsible or liable for any damage, injury, action, decision or claim arising from the Commercial Development Manager's activities, performance or commissions.
- H. The City requires and expects the Commercial Development Manager to perform his or her duties and conduct himself/herself in a highly ethical and professional manner and in accordance with all applicable federal, state and local laws and regulations.

IV. Exceptions

In the event the RMECDC wishes to employ a Commercial Development Manager at a salary greater than the amount so authorized and approved by the City, RMECDC may do so with the concurrence of the City provided RMECDC shall be solely responsible for (and at its sole expense) providing any such additional compensation and expenses. Additionally, in such event RMECDC may, with the concurrence of the City, assign additional job responsibilities to the incumbent so long as the incumbent shall spend no less than seventy percent (70%) of his or her time on a monthly basis performing and accomplishing the duties and responsibilities of the Commercial Development Manager as outlined herein. Finally, in the event the incumbent is assigned additional duties, the RMECDC President shall notify and certify that the incumbent's allocation of time devoted solely to direct commercial development manager activities and duties equals or exceeds seventy percent (70%), and provide such documentation or evidence (such as time sheets and activities reports) that the City Manager may from time to time request.

V. Terms

- A. The City and RMECDC agree that in order for this position to reasonably demonstrate its effectiveness, value and benefit, a period of no less than two full years should be expected. Accordingly, it is the intent of the parties that this agreement will be in effect through the end of FY 07-09 or June 30, 2009. Thereafter, the agreement shall continue in effect until amended or terminated by one or both parties.
- B. Notwithstanding the foregoing, both the City and the RMECDC reserve the individual right to terminate the Agreement and funding at any time upon 60 days advance notice for any reason. However, the City shall further have the right to discontinue funding at any time with or without notice in the event in its sole judgment the terms, conditions or requirements of this Agreement have been violated. In that event, the City Manager and RMECDC President shall attempt to resolve the issue or violations in order for the payments to resume.

VI. Coordination of Activities

The Commercial Development Manager shall coordinate his or her activities with Carolinas Gateway Partnership, the Chamber of Commerce's Small Business Recruiter and the Downtown Development Manager and shall meet regularly with same. The efforts and activities of the Commercial Development Manager shall be supportive of these

economic development offices and shall not be in conflict with or duplicative of them.

VII. Annual Report

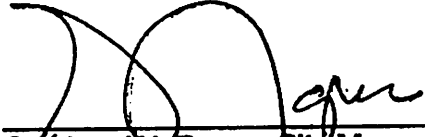
The Commercial Development Manager shall provide written annual reports to the City detailing his or her projects, activities, progress, accomplishments, goals, objectives, and other benchmarks.

VIII. Amendment

This Agreement may be amended with the mutual consent of the City and the RMECDC.


Joyce M. Dickens, President
Rocky Mount/Edgecombe Community
Development Corporation

7-28-07
Date


Stephen W. Raper, City Manager
City of Rocky Mount

7/30/07
Date