

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "Agreement") is entered into as of the Effective Date set forth below by and among the **DEVELOPMENT AUTHORITY OF HABERSHAM COUNTY** (the "Authority"), a development authority and public body corporate and politic duly created and existing under the Constitution and laws of the State of Georgia, **HABERSHAM COUNTY, GEORGIA** (the "County"), a political subdivision of the State of Georgia, the **CITY OF CLARKESVILLE, GEORGIA** (the "City"), a municipal corporation of the State of Georgia, and **PARKSIDE PARTNERS, LLC**, a Georgia limited liability company or its affiliate (the "Company"), each a "Party" and collectively the "Parties." The **HABERSHAM COUNTY BOARD OF TAX ASSESSORS** (the "Board of Assessors"), and the **TAX COMMISSIONER OF HABERSHAM COUNTY** (the "Tax Commissioner") are each executing an Acknowledgment hereof attached to this Agreement in order to enter into their respective agreements to the provisions hereof which are applicable to them, but they are not considered to be Parties.

1. THE PROJECT.

1.1 The Project. As used herein, references to the "Project" include the Premises, the Existing Facility and the Improvements (all defined below), as the same may exist from time to time. The Project consists of the renovation of an existing building (the "Existing Facility") located on the Premises for lease to and operation by the Company to be used as a commercial and mixed-use residential facility. The Premises and the Existing Facility shall be referred to herein as the "Existing Property." The Project shall proceed on the basis of the time schedule as described in Schedule 1.1 hereof (the "Development Schedule").

(a) Premises. The "Premises" consist of approximately 2.07 acres of land in the County which is described in Schedule 1.1(a) attached hereto (and by reference made a part hereof). The Premises are currently owned by the Authority and shall be leased to the Company under the terms of a separate Lease Agreement (the "Bond Lease") to be entered into between the Authority and the Company.

(b) Improvements. The "Improvements" are to consist of the construction, renovation, acquisition and installation by the Company of certain improvements to the Existing Facility including, without limitation, the renovation an approximately 29,285 square foot building to be used as a mixed-use commercial and multifamily residential housing facility, which Improvements, together with the Premises and the Existing Facility, will be leased to the Company under the Bond Lease. Notwithstanding anything herein to the contrary, the Improvements shall not include any apartments for rent. The estimated costs of the Improvements are \$7,500,000.00, and such costs will be financed by the Company. Preliminary plans for the Improvements shall be provided by the Company by the date provided in the Development Schedule attached hereto. The detailed description of the Improvements shall be determined by the Parties prior to Closing.

The Company shall be responsible for the design of the Improvements. The Bond Lease shall provide that the Company, as principal and not as agent of the Authority, shall construct, renovate, acquire and install the Improvements and that title to the Improvements

shall vest in the Authority as the same are constructed, renovated, acquired and installed. The Improvements shall be constructed, renovated, acquired and installed in compliance with applicable laws, including applicable zoning laws, building codes, environmental laws and other restrictions. The parties understand that this Agreement is not subject to the Georgia Local Government Public Works Construction Law (the “**Construction Law**”), and do not intend for it to be subject thereto.

Notwithstanding anything herein to the contrary, all parties to this Agreement acknowledge and agree that the Company may pursue future potential development on the Premises as permitted by the City and/or appropriate authorities.

1.2 Total Project Costs. “**Total Project Costs**” include all reasonable costs, fees and expenses incurred by the Company in connection with the Project. The Company will be responsible for any costs of or related to the Project (including, without limitation, those related to any change orders or cost overruns).

1.3 Closing. As used herein, the “**Closing**” is the event at which the Project Bonds (as defined herein) are issued and the other transactions contemplated herein are consummated. References herein to a “**Closing Condition**” are to the optional right of a Party hereto, based on a Closing Condition, to exercise a right provided herein in its favor and to avoid the Closing and terminate this Agreement as provided in Sections 6.4, 6.5 and 6.6, respectively, below.

1.4 Indemnity by the Company. The Company shall indemnify, hold harmless and defend the Authority, the County, the City and their respective officials, members, officers, employees and representatives from and against any and all loss, liabilities and claims (including, without limitation, liens and encumbrances resulting from construction and installation activities) that may arise out of or relate to: (a) any act or omission by or attributable to the Company or its vendors, contractors or subcontractors, agents, employees or representatives, related to the Project; or (b) this transaction or the ownership or operation of the Project. The indemnity contained in this Section 1.4 shall not apply in the case of any particular indemnitee to any claim, loss or liability which is the result of (i) the gross negligence or willful misconduct of such indemnitee or (ii) the mere discovery of existing conditions so long as not exacerbated by the Company. Said indemnity shall survive the expiration or earlier termination of this Agreement, but at Closing shall be superseded (provided, such supersession shall not affect any accrued liability hereunder) by the indemnities in the Definitive Documents (as defined below).

1.5 Public Benefit. The Project is located in the County and the City and is within the Authority’s jurisdiction and will inure to the economic benefit of the citizens of the County and the City. Without limitation, the Authority has found and determined, and does hereby find and determine, that this Project will benefit the public by providing a significant and much needed catalyst for revitalization and continuing redevelopment of the Existing Property and of the property in the vicinity of the Project, that the lease of the Project will be in furtherance of the Authority’s public purpose, that the Project will provide the County’s and the City’s citizens continuing benefit through providing for many of their basic needs in ways that the Authority is authorized to facilitate, and that the Project will promote trade and commerce, promote the economy, and bring other benefits to the County, the City’s downtown business district, and the State of Georgia. Therefore, the Parties acknowledge that the Authority has determined, after

substantial study and attention that the Project promotes a vital interest of the County and the City, and that obtaining such critical public benefit is the basis on which the incentives for the Project provided for herein are being extended.

2. FINANCING OF THE PROJECT.

2.1 Project Bonds. In order to establish the bond-financed sale-leaseback structure that is necessary for the provision of certain of the incentives contemplated herein, including, without limitation, *ad valorem* property tax savings for the Project, the Authority will issue the Authority's revenue bonds (the "Project Bonds") to the Company. The Authority will hold legal title to the Project. The Bond Lease and related purchase option will evidence the Company's beneficial ownership of the Project. The Company will acquire legal title to the Project as provided herein.

2.2 Maximum Principal Amount of Project Bonds. Without limitation, the principal amount of the Project Bonds shall in the aggregate accommodate Total Project Costs for the Project; provided, however, the aggregate principal amount of the Project Bonds shall not exceed \$9,000,000. Such accommodation shall be made through structuring the Project Bonds as draw-down bonds in an appropriate maximum principal amount.

2.3 Transaction Costs for Project Bonds. The Company shall be responsible for certain transactional costs of the issuance of the Project Bonds, and other matters related thereto, provided that such costs shall be subject to the Company's approval, which shall not be unreasonably withheld. Subject to any applicable limits of the federal tax law, cash proceeds of the Project Bonds, if any are available for such purpose, may be used to pay such costs or to reimburse the Company for transaction costs previously paid by it. Such transaction costs include, without limitation: (i) the court costs relating to validation of the Project Bonds and recording and filing fees; and (ii) the legal fees and expenses of Bond Counsel in the amount equal to \$25,000, (iii) legal fees and expenses of counsel to the County in the amount equal to \$5,000, and (iv) legal fees and expenses of counsel to the Authority and the City in the aggregate amount equal to \$5,000.

2.4 Roles of Counsel. The law firm of Sanders, Ranek & Skilling, P.C. shall serve as counsel to the Authority and the City, and, except as provided in Section 2.3 above, its fees and expenses will be paid by the Authority and the City. The law firm of Hunt & Taylor Law Group LLC shall serve as counsel to the County, and, except as provided in Section 2.3 above, its fees and expenses will be paid by the County. The law firm of Gray Pannell & Woodward LLP shall serve as the Bond Counsel in connection with the issuance of the Project Bonds and this Agreement, and, except as provided in Section 2.3 above, its fees and expenses will be paid by the Authority. Miller Lavoie LLP shall serve as counsel to the Company, and its fees and expenses will be paid by the Company.

2.5 Tax Status of the Project Bonds. The interest on Project Bonds issued to the Company will not be exempt from federal income taxation. Whether or not the interest on any other series of the Project Bonds will be exempt from federal income taxation shall be as determined by the federal income tax law.

2.6 Repayment of the Project Bonds. The Company shall be responsible for the repayment of the Project Bonds. Without limitation, the Project Bonds shall not be a general

obligation of the Authority, but shall be a special and limited obligation payable solely from the payments received under the Bond Lease and other pledged security. No public body, including the Authority or the County, shall have any obligation or liability for repayment of the Project Bonds.

2.7 Bond Lease.

2.7.1 The Authority and the Company shall enter into a lease (the “**Bond Lease**”) at the Closing. The Authority agrees to provide the Existing Property through the Bond Lease to the Company, at a cost of Five Hundred Thousand Dollars (\$500,000) (the “**Purchase Amount**”), on and subject to the terms and conditions set forth below and elsewhere in this Agreement and the Bond Lease. Pursuant to the Bond Lease, the Authority will lease the Project to the Company. The form and material terms of the Bond Lease shall be negotiated and finalized by the Authority and the Company during the Due Diligence Period (as defined below). Pursuant to the Bond Lease, the Authority will hold legal title to the Project and the Authority will lease the Project to the Company. The Bond Lease shall contain terms and provisions substantially of the type normally included in bond leases between governmental “conduit” bond issuers and users of bond-financed property. The Bond Lease and related Purchase Option (as defined below) will evidence the Company’s beneficial ownership of the Project. The Bond Lease will be a triple net type lease. The Bond Lease shall permit subleases without the consent of the Authority.

2.7.2 The Authority, in the Bond Lease or by separate instrument, shall grant the Company the option to purchase the Project (the “**Purchase Option**”) upon substantial completion of the construction, renovation, acquisition and installation of the Improvements, exercisable for (i) an option exercise price of \$10; plus (ii) the Recovery Value (as defined herein) if owed pursuant to Section 2.7.3(b) below; and (iii) if all of the Project Bonds have not theretofore been retired, the Company shall cause all of the Project Bonds to be retired or cancelled. Payment of the amounts so required is a condition to the closing under the Purchase Option. In the event the Company exercises the Purchase Option, this Agreement shall no longer remain in effect following the closing of the purchase of the Project by the Company. This Purchase Option and the Bond Lease shall be evidenced by a recorded memorandum of lease or option agreement.

2.7.3 The Bond Lease shall provide the following:

(a)(i) that if the Company has not actually and substantively commenced construction, renovation, acquisition and installation of the Improvements by July 1, 2026, the Authority may (A) require the Company cause the Project Bonds to be retired or cancelled, and (B) terminate the Bond Lease and retain the Existing Property upon repayment of the Purchase Amount to the Company and (ii) if the Authority does not exercise any such right to terminate by September 1, 2026, such right shall be deemed waived with respect to the subject thereof; and

(b) that failure of the Company to achieve substantial completion of the Project by December 31, 2027, the Company shall be obligated to pay an additional amount to the Authority equal to the Recovery Value, in connection with the exercising of the Purchase Option as described in Section 2.7.2 above.

The recovery value shall be \$150,000 (the “**Recovery Value**”).

2.8 Definitive Documents. The term “**Definitive Documents**” means and includes the Bond Lease and related purchase option and any other related documents necessary to implement the transaction described herein. The Definitive Documents shall be prepared by Authority’s Counsel and shall be subject to the approval of the Authority, the City, the County, the Company, and the legal counsel thereof. The Parties agree to negotiate in good faith to establish the terms and conditions to be included in the Definitive Documents. It shall be a Closing Condition in favor of each of the Company, the Authority, the City and the County that they reach an agreement on such terms and conditions.

2.9 Transfers of this Agreement by Company. All rights and benefits of the Company under this Agreement and under the Authority’s and the County’s resolutions authorizing this Agreement may be transferred and assigned by the Company, in whole or in part, to: (a) any Affiliate of the Company or (b) with the written approval of the Authority (but subject to the last sentence of this Section) to anyone or more persons or entities which propose to acquire the Project, or a portion thereof, in either case with the same effect as if such Affiliate or such persons or entities were named as the “Company” in this Agreement and in the Authority’s resolution authorizing this Agreement. Unless otherwise agreed in writing by the Authority, the assignment of the Company’s rights shall not release the Company from its obligations for costs and indemnification and following any such assignment, the Company and such assignee shall be jointly and severally liable for costs and indemnification hereunder. As used herein, “**Affiliate**” means any person or entity (as used herein “entity” includes, without limitation, any public body) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, a specified person or entity. As used herein, the term “control” of a person or entity means the possession, directly or indirectly, of the power: (A) to vote 10% or more of the voting securities of such person or entity (on a fully diluted basis) having ordinary power to vote in the election of the governing body of such person or entity, or (B) to direct or cause the direction of the management or policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise.

3. LOCAL INCENTIVES.

3.1 Ad Valorem tax abatement.

3.1.1 Basis for Abatement. All parties to this Agreement recognize and agree that the Authority is not subject to *ad valorem* taxation on its interest in the Project. The parties further understand and agree that the Company will be subject to ad valorem taxation on its leasehold interest in the Project (the “**Leasehold Interest**”). Pursuant to O.C.G.A. 36-80-16.1(e) and the decision of the Supreme Court of Georgia in W. C. Harris, et al. vs. DeKalb County Board of Tax Assessors, 248 Ga. 277 (1981) (the “Harris Case”), which permits the Board of Assessors to agree in advance to fixed percentage, reasonable and non-arbitrary valuation methods, the parties (including any assignee of the Company pursuant to an assignment in accordance with the applicable provisions of the Bond Lease) desire to agree upon an appropriate, reasonable and non-arbitrary methodology for valuation of the

Leasehold Interest. The Board of Assessors acknowledges and attests to its familiarity with the form of Lease, and expressly confirms that it will discharge its official responsibility relating to the valuation of property within the County for ad valorem tax purposes by appraising and valuing the fair market value of the Leasehold Interest in accordance with applicable law, including specifically Sherman v. Fulton County Board of Assessors, et. al., 288 Ga. 88 (2010) and the Harris Case and the valuation technique therein set forth.

In order to provide the Company with sufficient information and certainty upon which it can base its decision to carry out the Project in the County, the parties agree that it is important to set forth the methodology by which it is agreed that the Leasehold Interest of the Company in the Project will be valued for ad valorem property purposes. That methodology, which represents the utilization by the Board of Assessors of an appropriate, reasonable and non-arbitrary methodology for valuation of the Company's Leasehold Interest, is as follows:

(a) It is expected that the Project will be completed by December 31, 2027. The completion of the acquisition of the Project by the Company, as determined by the Board of Assessors or as evidenced by the issuance of a certificate of occupancy, shall constitute the completion date (the "**Completion Date**") for purposes of this Agreement. There will be no value to the Leasehold Interest of the Company in the Project prior to the Completion Date in accordance with the precedent established in the Harris Case. Thus, there will be no ad valorem personal property taxes on any assets acquired by the Authority in connection with the Project prior to January 1 of the year immediately following the Completion Date (the "**Tax Commencement Date**").

(b) Beginning on the Tax Commencement Date, the Company shall pay in the form of ad valorem property taxes in an amount equal to 100% of the amount that otherwise would have been paid by the Company if it owned the Project for each such year.

(c) The determination of the fair market value of the Leasehold Interest in any asset in any year following the Tax Commencement Date (prior to being reduced by the applicable percentage) will be subject to periodic reassessment, for which the Board of Assessors will employ its standard valuation methods. The fair market value of the Leasehold Interest valued thereunder, after being reduced by the applicable percentage, shall be multiplied by 100% for the taxes of the City and 40% otherwise to determine the assessed value of each such category for such year and thereafter multiplied by the millage rate established by the County and any applicable municipality, to the extent the Project is located within the geographical boundaries of such municipality, with respect to such year, to determine the *ad valorem* tax for such year.

(d) On an annual basis, the Company shall return the property comprising the Project for *ad valorem* taxation purposes in the County, and shall also deliver to the Authority and the Board of Assessors on or before the anniversary date of this Agreement such additional documentation and information as may be necessary in order for the Board of Assessors to value the Project and portions thereof.

3.1.2 Reversion to Normal Taxability. If the option to purchase the Project is exercised by the Company upon termination of the Bond Lease or earlier, in whole or in part, or if the Bond Lease is otherwise terminated or expires, the Project will be taxable according to normal *ad valorem* property taxation rules that are applicable to privately-owned property.

3.1.3 Board of Assessors. The provisions of this Agreement relative to the assessment and taxability of the Project for *ad valorem* property tax purposes are the obligation and responsibility of the Board of Assessors. By its Acknowledgement, the Board of Assessors is joining in this Agreement to acknowledge that this Agreement is consistent with applicable requirements and that the Board of Assessors intends and agrees to classify, for taxation purposes, the Company's interest in the Project under the Bond Lease as contemplated in this Agreement. The County also acknowledges and agrees to such provisions, and agrees that the Board of Assessors shall comply with the foregoing.

3.2 Fast-Tracked Permitting, Dedicated Support. The City and the County shall offer fast-tracked permitting advantages to the Company. The City and the County shall work closely with the utility partners particularly related to wastewater. The Land Disturbance Permits (LDP), if applicable, and Building Plan Review Process shall be coordinated and may be pursued simultaneously. To expedite permits and administrative approvals, the Mike Beecham of the County and Caleb Gaines of the City will serve as the Company's initial dedicated single points of contact for all permits and approvals required to construct, equip and operate the Project. The City further commits to make its best efforts to expedite permits and approvals required for the Project and to ensure that all such permits and approvals are issued for or obtained by the Project in a timely manner.

3.3 No Other Incentives. The preceding provisions of this Section 3 of this Agreement are a complete and exhaustive list of all incentives that the Authority, the County, the City and all other local governments and local authorities, respectively, have agreed to provide. There are no other Authority, County, the City or other local government or local authority incentives for the Project. It is hereby acknowledged that the Authority, the County and the City will have no financial liability associated with the Project and will not be providing any financing or financial guarantees related to the Project.

4. DUE DILIGENCE AND EARNEST MONEY

4.1 Earnest Money. Within three (3) business days after the execution of this Agreement, the Company shall deposit Fifty Thousand Dollars (\$50,000) ("**Initial Earnest Money Deposit**") to be delivered to First American Title Insurance Company, 3455 Peachtree Road NE, Suite 1700, Atlanta, Georgia 30326, Attn: Jon Uhlir, (404)-720-3049, juhli@firstam.com. The Initial Earnest Money deposit shall be applicable to the Purchase Amount. Ten Thousand Dollars (\$10,000) of the Initial Earnest Money Deposit shall be non-refundable upon execution of this Agreement subject only to satisfactory review of the Existing Property's title and environmental conditions by the Company. The remaining Forty Thousand Dollars (\$40,000) of the Initial Earnest Money Deposit will become non-refundable upon Company's notification to the Authority and the County of its intent to proceed to closing at the expiration of the Due Diligence Period (defined below).

4.2 Due Diligence. (a) In the event that the Authority and the County have, a survey, title insurance policy and title exceptions, and an environmental report and survey for the Existing Property, the Authority and the County will make them available to Company within three (3) business days of the execution of this Agreement, but the Authority and the County shall not make any representations or warranties as to the accuracy or contents of said reports.

(b) The Company shall have a total of sixty (60) days from the execution of this Agreement to review the Existing Property and make all necessary inspections (the “**Due Diligence Period**”). Said inspections shall include the physical and environmental condition of the property, and to determine if the property is economically feasible for the redevelopment of Company’s intended project. At all times after the execution of this Agreement, Company and its agents and representatives will have full access to the Existing Property to make inspections and examinations as Company deems necessary at its sole cost and expense.

(c) The Company shall have the right to extend the Due Diligence Period for two (2) thirty (30) day periods (“**Extension Periods**”). Upon Company’s notification to the Authority and the County of its intent to exercise its right to extend, Company shall deposit an additional Twenty-Five Thousand Dollars (\$25,000) (“**Additional Earnest Money Deposits**”; each Additional Earnest Money Deposit, together with the Initial Earnest Money Deposit, shall be deemed, collectively, the “**Earnest Money Deposit**”) per Extension Period. Any Additional Earnest Money Deposits shall be applicable to the Purchase Amount.

(d) If Company, at its sole discretion for any reason or no reason, determines during the Due Diligence Period that the Existing Property is not satisfactory, then Company may terminate this Agreement by providing notice to the Authority, in which event the Earnest Money Deposit, less \$10,000.00 of the Initial Earnest Money Deposit, and less \$5,000 of each Additional Earnest Money Deposit, if any, shall be returned to the Company. Should the Company not deliver written notice to the Authority that it elects to terminate this Agreement prior to the end of the Due Diligence Period, then the Company shall have elected to proceed to Closing in accordance with and subject to the terms of this Agreement.

5. **DEVELOPMENT SCHEDULE AND ECONOMIC DEVELOPMENT GOALS.**

5.1 Development Schedule. Schedule 1.1 attached hereto and incorporated herein by reference contains a list of milestones applicable to the development, financing, construction and start-up of the Project, together with the related deadlines for the achievement of each such milestone. It shall be a Closing Condition in favor of the Authority and the County that each milestone that is scheduled to be achieved prior to Closing has been achieved. If each such pre-Closing milestone is not achieved by Closing, then the Parties may, but are not required to, by mutual agreement, enter into an amendment of the Development Schedule that is satisfactory to the Authority and the County, which, if agreed to by the Authority and the County, will constitute a waiver of such Closing Condition. Additionally, it shall be a Closing Condition in favor of the Company that the Chairman of the Authority, the Planning and Development Director of the County (after consultation with the County Commission Chair and County Manager) and the Caleb Gaines of the City have all approved the final plans and that the City has issued any and all required permits for the Project.

5.2 Progress Reports. Within 15 days of receipt of a written request by the Authority, the County or the City, the Company shall provide progress report for the Project; provided, however the Authority, the County or the City may only request (collectively) one progress report from the Company every ninety (90) days.

5.3 Jobs and Investment Goals. The Company projects that following commencement of the Project and by December 31, 2027 (the “**Compliance Determination Date**”), it would make or cause to be made aggregate capital expenditures of approximately \$7,500,000, towards the acquisition, construction, and equipping of the Project. The Company also projects that by the Compliance Determination Date the Project will generate or retain, directly or indirectly, approximately ten (10) new full time jobs and forty (40) new construction employment opportunities for individuals able to present the paperwork necessary to obtain legal employment. The Company acknowledges and represents that the aforementioned projected capital expenditures and employment opportunities (collectively, the “**Economic Development Goals**”) constitute good faith, reasonable expectations for the proposed Project, on which the Authority may rely for the purposes of this Lease. The Company covenants to make reasonable progress to achieve the Economic Development Goals before the Compliance Determination Date. The Company further covenants that it shall deliver to the Authority on or before the Compliance Determination Date, and as reasonably requested by the Authority, such additional documentation and information as may be necessary in order for the Authority to ascertain and monitor the Company’s progress towards fulfillment of the Economic Development Goals as of the Compliance Determination Date.

6. TERMINATION OF AGREEMENT.

6.1 Delay. If, despite the good faith efforts of the Parties, the Closing has not occurred by July 1, 2026, then the Authority, the County, the City or the Company may terminate this Agreement by written notice to the other Parties, without any further liability except as otherwise expressly provided in this Agreement.

6.2 Approval by Governing Bodies. Upon its execution of this Agreement, each Party hereto represents and warrants that its governing body or other authorized committee or official thereof has approved and authorized its entry into such Agreement or Acknowledgment.

6.3 Closing Conditions. Any Party shall have the right to terminate this Agreement prior to the Closing, without any further liability except as otherwise expressly provided in this Agreement, effective immediately upon giving written notice to the other Parties, if:

6.3.1 Any other Party is in material breach of this Agreement.

6.3.2 Prior to the validation of the Project Bonds, there has been commenced or threatened against the Authority, the County, the City, the Company, or any Affiliate of the Company, any proceeding (a) involving any challenge to, or seeking damages or other relief in connection with, any of the matters that are the subjects of this Agreement, or (b) that may have the effect of preventing, delaying, making illegal, imposing limitations or conditions on, or otherwise interfering with, any of such matters.

6.3.1 Any other Party fails to execute and deliver the Definitive Documents at Closing.

6.4 The Authority's Termination Rights. Without limitation, the Authority shall have the right to terminate this Agreement, effective immediately upon giving written notice to the other Parties if, by the Closing (or if this Agreement specifies another time therefor, then by such time) each Closing Condition set forth herein in favor of the Authority has not been satisfied. If the Authority does not exercise any such right to terminate by Closing (or by such other time specified), then, as of the Closing, such right shall be deemed waived with respect to the subject thereof.

6.5 The County's Termination Rights. Without limitation, the County shall have the right to terminate this Agreement, effective immediately upon giving written notice to the other Parties if, by the Closing (or if this Agreement specifies another time therefor, then by such time) each Closing Condition set forth herein in favor of the County has not been satisfied. If the County does not exercise any such right to terminate by Closing (or by such other time specified), then, as of the Closing, such right shall be deemed waived with respect to the subject thereof.

6.6 The Company's Termination Rights. As provided in Section 4.2(d) hereof, if the Company, at its sole discretion, determines during the Due Diligence Period that the Existing Property is not satisfactory for any reason whatsoever, then Company may terminate this Agreement, in which event the Earnest Money Deposit, less \$10,000.00 of the Initial Earnest Money Deposit and less \$5,000 of each Additional Earnest Money Deposit, if any, shall be returned to the Company.

In addition, without limitation, if, and only if, by the Closing (or if this Agreement specifies another time therefor, then by such time) the Authority without any cause allowed in this Agreement refuses to execute and deliver the Definitive Documents and Close, then the Company (i) shall have the right to terminate this Agreement, effective immediately upon giving notice to the other Parties in which event the Earnest Money Deposit shall be returned to the Company, and the Company shall be entitled to reimbursement for its actual out of pocket costs and expenses, not to include internal Company overhead, labor costs and expenses, incurred by the Company in performing its pre-development activities in an amount not to exceed \$250,000.00, or (ii) seek specific performance of this Agreement and of the Authority's obligations, duties and covenants hereunder; provided the Company commences such action for specific performance within sixty (60) days after the scheduled Closing. If the Company does not exercise any such right to terminate by Closing, then, as of the Closing, such right shall be deemed waived with respect to the subject thereof.

6.7 Effect of Termination. If any Party terminates this Agreement pursuant to a right provided herein or if this Agreement expires, this Agreement shall terminate or expire as to all Parties without any further liability on the part of any Party, except as may theretofore have accrued, or except as otherwise expressly provided in this Agreement, or shall exist as a result of any prior breach hereof.

7. MISCELLANEOUS.

7.1 Notices. Any request, demand, authorization, direction, notice, consent, or other document provided or permitted by this Agreement to be made upon, given or furnished to, or filed with, the Authority, the County, the City or the Company as set forth below shall be sufficient for every purpose hereunder if in writing and (except as otherwise provided in this Agreement) either (i) delivered personally to the Party or, if such Party is not an individual, to an officer or other legal representative of the Party to whom the same is directed, or (ii) mailed by registered or certified mail, return receipt requested, postage prepaid, or (iii) sent via nationally recognized overnight courier for next business day delivery, as follows:

If to the Authority: Development Authority of Habersham County
130 Jacob's Way
Clarksville, Georgia 30523
Attn: Chairman

with a copy to: Sanders, Ranck & Skilling, P.C.
597 Big A Road
P.O. Box 1005
Toccoa, Georgia 30577
Attention: Jannery E. Sanders, Esq.

with a copy to: Gray Pannell & Woodward LLP
336 Hill Street
Athens, Georgia 30601
Attn: James R. Woodward, Esq.

If to the County: Habersham County, Georgia
130 Jacob's Way
Clarksville, Georgia 30523
Attn: Chairman

with a copy to: Hunt & Taylor Law Group LLC
1001 Riverside Drive, Suite A
Gainesville, Georgia 30501
Attn: Donald T. Hunt

If to the City: City of Clarksville, Georgia
123 North Laurel Drive
Clarksville, Georgia 30523
Attention: Mayor and Mayor Pro Tem

with a copy to: Sanders, Ranck & Skilling, P.C.
597 Big A Road
P.O. Box 1005
Toccoa, Georgia 30577
Attention: Matthew D. Skilling, Esq.

If to the Company: Parkside Partners, LLC
1776 Peachtree Street NW
Atlanta, Georgia 30309
Attn: Kyle Jenks and Eli Green

with a copy to: Miller Lavoie, LLP
1275 Peachtree Street, NE
Suite 550
Atlanta, Georgia 30309
Attn: Robert L. Rearden

7.2 Confidential Information. All confidential information acquired by the Authority, the County and the City and relating to the Company shall be held in confidence by it, subject to its legal obligations as a public body, including, without limitation O.C.G.A. § 15-18-70, *et seq.* and § 50-14-1, *et seq.* The Company and its advisors shall, prior to the execution and delivery hereof, treat the contents of this Agreement as confidential, and, without limitation, shall not disclose such contents to competing communities or states.

7.3 No Partnership or Agency. No partnership or agency relationship between or among the Parties shall be created as a result of this Agreement.

7.4 Governing Law: Jurisdiction and Venue. The transactions contemplated hereunder and the validity and effect of this Agreement are exclusively governed by, and shall be exclusively construed and enforced in accordance with, the laws of the State, except for the state's conflicts of law rules. The Company consents to jurisdiction over it and to venue in Habersham County, Georgia.

7.5 Amendments. Any amendments, deletions, additions, changes or corrections hereto must be in writing executed by the Parties hereto.

7.6 Entire Agreement. This Agreement, together with the Definitive Documents (when executed), constitutes the entire agreement between the Parties with respect to the subject matter hereof.

7.7 Counterparts. This Agreement may be signed in counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

7.8 No Personal Liability of Representatives of Public Bodies. No official, member, director, officer, agent, or employee of the Authority, the County or the City shall have any personal liability under or relating to this Agreement. Rather, the agreements, undertakings, representations, and warranties contained herein are and shall be construed only as corporate agreements, undertakings, representations, and warranties, as appropriate, of such public bodies. Without limitation, and without implication to the contrary, all parties hereto waive and release any and all claims against each such official, member, director, officer, agent, or employee, personally, under or relating to this Agreement, in consideration of the entry of such public bodies into this Agreement.

7.9 No Personal Liability of Representatives of Company. No official, member, manager, director, officer, agent, or employee of the Company shall have any personal liability under or relating to this Agreement. Rather, the agreements, undertakings, representations, and warranties contained herein are and shall be construed only as corporate agreements, undertakings, representations, and warranties, as appropriate, of such entity. Without limitation, and without implication to the contrary, all Parties hereto waive and release any and all claims against each such official, member, manager, director, officer, agent, or employee, personally, under or relating to this Agreement, in consideration of the entry of such entity into this Agreement.

7.10 Intergovernmental Agreement; Acknowledgment. This Agreement shall collectively constitute an intergovernmental agreement under the Georgia Constitution Art. IX, Sec. III, Para. I among the public bodies and public officials executing the same. Such intergovernmental agreement is subject to the fifty (50)-year term limit contained in such provision of the Georgia Constitution, but shall expire earlier upon its complete performance.

7.11 Execution of Agreement. This Agreement shall not be effective until it has been fully executed by all Parties hereto.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding and caused it to be delivered as of the following "Effective Date": _____, 2024.

The "AUTHORITY":

DEVELOPMENT AUTHORITY OF
HABERSHAM COUNTY

By: 
Chairman

ATTEST:


Secretary *Vice Chairman*

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

The "COUNTY":

HABERSHAM COUNTY, GEORGIA

By: _____
Name: Ty Akins
Title: Chairman, Board of Commissioners

ATTEST:

Brandalin Carnes
County Clerk

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

The "CITY":

CITY OF CLARKESVILLE, GEORGIA

By: _____
Name: _____
Title: _____

ATTEST:

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

The "COMPANY":

PARKSIDE PARTNERS, LLC

By: _____

Name: _____

Title: _____

ATTEST:

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

ACKNOWLEDGED

The Habersham County Board of Tax Assessors acknowledges this Agreement and agrees to the provisions hereof that are applicable to it.

**HABERSHAM COUNTY BOARD OF TAX
ASSESSORS**

By: _____
Chairman

ATTEST:

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

ACKNOWLEDGED

The Tax Commissioner of Habersham County, Georgia acknowledges this Agreement and agrees to the provisions hereof that are applicable to him/her.

**TAX COMMISSIONER OF
HABERSHAM COUNTY**

By: _____
Print Name: _____

ATTEST:

[SEAL]

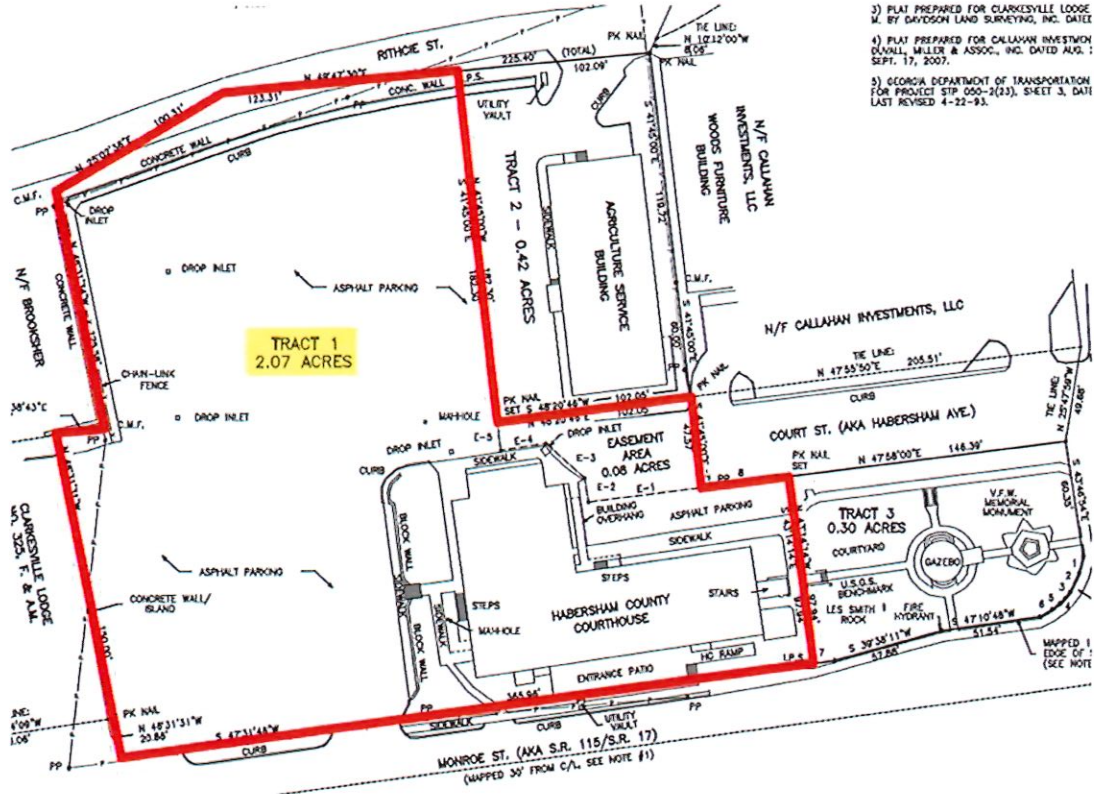
SCHEDULE 5.1

DEVELOPMENT SCHEDULE

MILESTONE	DATE
All Parties sign MOU; Governmental Parties approve preliminary description for the Improvements	By May 1, 2024
Company submits preliminary plans for the Project to Governmental Parties	By October 1, 2024
Company submits for approvals and permits for Project to applicable Governmental Parties	By August 1, 2025
Company submits applications for construction loan	By October 1, 2025
Governmental Parties approve final plans for the Project; Company obtains any and all required permits for the Project	By February 1, 2026
Company obtains commitment for construction loan	By April 1, 2026
Closing and Issue Project Bonds	By May 1, 2026
Commencement of construction, renovation, acquisition and installation of the Improvements	By July 1, 2026
Substantial Completion of the Project	By January 1, 2028

SCHEDULE 1.1(a)

DESCRIPTION OF THE PREMISES



- 3) PLAN PREPARED FOR CLARKESVILLE LOOSE N. BY DAVENSON LAND SURVEYING, INC. DATE:
- 4) PLAN PREPARED FOR CALLAHAN INVESTMENT DANALL MILLER & ASSOC., INC. DATED ALSO: SEPT. 17, 2007.
- 5) GEORGIA DEPARTMENT OF TRANSPORTATION FOR PROJECT STP 050-2(23), SHEET 3, DATE LAST REVISED 4-22-93.

MONROE ST. (AKA S.R. 115/S.R. 17)
(MAPPED BY FROM C/L. SEE NOTE #1)

SCHEDULE 5.1

DEVELOPMENT SCHEDULE

MILESTONE	DATE
All Parties sign MOU; Governmental Parties approve preliminary description for the Improvements	By May 1, 2024
Company submits preliminary plans for the Project to Governmental Parties	By October 1, 2024
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Company submits applications for construction loan	By October 1, 2025
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Company obtains commitment for construction loan	By April 1, 2026
Closing and Issue Project Bonds	By May 1, 2026
Commencement of construction, renovation, acquisition and installation of the Improvements	By July 1, 2026
Substantial Completion of the Project	By January 1, 2028

Habersham County Board of Commissioners, Old Courthouse
Tract 1

LEGAL DESCRIPTION

ALL THAT TRACT or parcel of land lying or being in Land Lot 19 of the 10th Land District, City of Clarkesville, Habersham County, Georgia, being identified as Tract 1 on a plat prepared for Habersham County Board of Commissioners by Lovell, Stroud and Associates, LLC dated November 26, 2012, revised December 1, 2017, and August 7, 2020 and being more particularly described as follows:

COMMENCING at a point at the intersection of the south right of way line of Court St. (aka Habersham Ave.) and the west right of way line of Washington St. (aka State Route 385/ Historic U.S. 441);

THENCE along the south right of way line of Court St. (aka Habersham Ave.) South 47 degrees 58 minutes 00 seconds West for a distance of 146.39 feet to a P.K. nail set and the POINT OF BEGINNING;

THENCE leaving the right of way of Court St. (aka Habersham Ave.) South 43 degrees 14 minutes 14 seconds East for a distance of 97.94 feet to an iron pin set (5/8" rebar) on the north right of way line of Monroe St. (aka State Route 115/ State Route 17);

THENCE along the north right of way of Monroe St. (aka State Route 115/ State Route 17) South 47 degrees 31 minutes 46 seconds West for a distance of 365.96 feet to a point;

THENCE leaving the right of way of Monroe St. (aka State Route 115/ State Route 17) North 46 degrees 31 minutes 31 seconds West for a distance of 20.86 feet to a P.K. nail found;

THENCE North 46 degrees 31 minutes 31 seconds West for a distance of 150.00 feet to a point;

THENCE North 46 degrees 38 minutes 43 seconds East for a distance of 25.10 feet to a concrete monument found;

THENCE North 46 degrees 31 minutes 34 seconds West for a distance of 125.58 feet to a concrete monument found on the south side of Ritchie St.;

THENCE North 25 degrees 02 minutes 36 seconds East for a distance of 100.31 feet to a point;

THENCE North 49 degrees 47 minutes 30 seconds East for a distance of 123.31 feet to an iron pin set (5/8" rebar) on the south side of Ritchie St.;

THENCE South 41 degrees 45 minutes 00 seconds East for a distance of 182.30 feet to a P.K. nail set;

THENCE North 48 degrees 20 minutes 46 seconds East for a distance of 102.05 feet to a P.K. nail found on the north right of way line of Court St. (aka Habersham Ave.);

THENCE along the right of way of Court St. (aka Habersham Ave.) the following courses and distances:

South 41 degrees 45 minutes 00 seconds East for a distance of 47.57 feet to a point;

THENCE North 47 degrees 58 minutes 00 seconds East for a distance of 45.47 feet to a P.K. nail set and the POINT OF BEGINNING;

Together with and subject to covenants, easements, and restrictions of record.

Said property contains 2.07 acres more or less.