

STATE OF NORTH CAROLINA

AGREEMENT

MECKLENBURG COUNTY

THIS AGREEMENT is made and entered into as of the 14<sup>th</sup> day of December, 2004 by and between the TOWN OF DAVIDSON, a municipal corporation (the "Town") whose mailing address is Post Office Box 579, Davidson, North Carolina 28036 and STOUGH FARMS FAMILY LIMITED PARTNERSHIP, a North Carolina limited partnership ("STOUGH FARMS") whose mailing address is Post Office Box 1658, Davidson, North Carolina 28036.

#### STATEMENT OF PURPOSE

1. Stough Farms owns and intends to develop for residential purposes an 18.92 acre, more or less, parcel of land (the "Stough Farms Property") tax parcel number 007-401-99 which abuts the corporate limits of the Town and which lies within the Town's extraterritorial planning jurisdiction.
2. The Town's Planning Ordinance requires that every new residential development provide a proscribed minimum number of affordable housing units, as defined in the Planning Ordinance.
3. Pursuant to its policy of creating and maintaining affordable housing units throughout the Town and not only in new residential developments, and pursuant to its policy of encouraging new affordable housing units in areas which are near municipal services, mass transit and other support services, Town is willing to accept payment of cash and/or property in satisfaction of the requirement to provide affordable housing.
4. Stough Farms has offered to convey to the Town the parcels of land described herein and the Town has agreed that such conveyance satisfies the requirement to provide affordable housing with respect to the development of the Stough Farms Property.

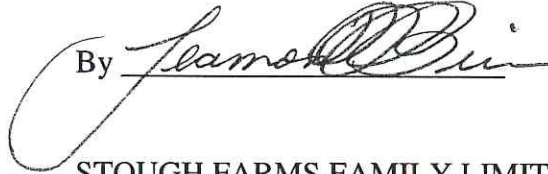
NOW THEREFORE in consideration of the premises and the mutual covenants contained herein the parties agree as follows:

1. Stough Farms agrees to

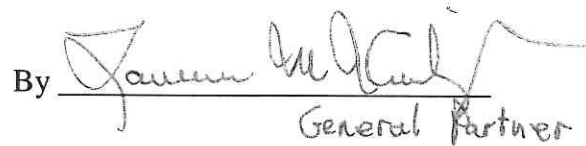
- a. convey to the Town by Special Warranty Deed fee simple title to a 1.0417 acre parcel of land identified as "Common Area" on the plat of Cabin Woods Subdivision recorded in Map Book 30 page 973, subject to a sewer easement to the City of Charlotte and the restrictive covenants for Cabin Woods recorded in Book 10593 Page 696, as amended;
  - b. convey to The Pines at Davidson, Inc. (the "Pines") by Special Warranty Deed fee simple title to a 3.9438 acre parcel of land identified as Tract 4 on a boundary survey (the "Survey") prepared by R. B. Pharr & Associates, P.A. for the Town of Cornelius dated March 29, 2000; provided however, immediately thereafter The Pines shall convey to the Town fee simple title to the 1.60 acre parcel of land identified as Tract A on the Survey ("Tract A"); provided that, if subdivision approval from the Town of Cornelius for such conveyance is required and cannot be obtained within a time period acceptable to the Town, at the request of the Town the Pines shall grant to the Town an exclusive easement for park and recreational purposes covering Tract A and immediately after subdivision approval is obtained the Pines shall convey fee simple title to Tract A to the Town; and
  - c. convey to the Town in connection with the development of the 18.92 acre parcel a portion of such parcel lying behind property identified as tax parcel 007-402-11 as shown on the map attached hereto as Exhibit A. This conveyance shall be made no later than one (1) month after the recording of the plat map for the 18.92 acre parcel.
2. The Town acknowledges and agrees that (a) the value of the property conveyed to, or for the benefit of, the Town by Stough Farms is adequate and sufficient to pay the cost to the Town to provide land for the development of affordable housing within the Town, whether or not the property conveyed to the Town is used for that purpose, (b) the conveyance of such property satisfies the affordable housing requirement contained in the Town's Planning Ordinance with respect to the development of the Stough Farms Property, and (c) the Town has accepted land from other developers as an "in-kind" satisfaction of its affordable housing requirement.

IN WITNESS WHEREOF, the Town and Stough Farms have signed this Agreement as of the day and year first above appearing.

TOWN OF DAVIDSON

By 

STOUGH FARMS FAMILY LIMITED PARTNERSHIP

By   
General Partner