

**NORTH CAROLINA
CHATHAM COUNTY**

THIS TERMINATION OF PAYMENT-IN-SUPPORT CONTRACT AND AGREEMENT TO PAYMENT-IN-LIEU CONTRACT (this “Agreement”), is made and entered into this _ day of November, 2025, by and between Chatham County, a body politic and corporate of the State of North Carolina (the “County”) and Vickers Bennett Group, LLC, a North Carolina limited liability company (“VBG”) (either the County or VBG may be referred to herein as a “Party” and collectively as the “Parties”);

WITNESSETH:

WHEREAS, in 2004 the County, by and through its Board of Commissioners, adopted a Compact Communities Ordinance (the “Ordinance”) with an effective date of April 19, 2004; and

WHEREAS, Section 12.3 entitled, “Housing,” of the Ordinance provides options for developers in compact communities to address the housing needs of low- and moderate-income households; and

WHEREAS, VBG’s application for conditional rezoning was approved on or about the 15th day of November 2021 by that certain ordinance entitled, “AN ORDINANCE AMENDING THE ZONING MAP OF CHATHAM COUNTY for Vickers Bennett Group LLC” (the “Rezoning Ordinance”) regarding the Property defined therein known as the Vickers Village Compact Community (“VV”), which contained therein a condition addressing a contractual commitment between VBG and the County regarding affordable housing within VV; and

WHEREAS, Section 12.3(A)(3) of the Ordinance allows the developer and the County to establish an alternative means to meet the Moderately Priced Dwelling obligations described in the Ordinance; and

WHEREAS, in accordance with Site Specific Condition No. 20 of the Rezoning Ordinance, VBG and the County entered into that certain “Payment-in-Support Contract” dated November 15, 2021 to meet the Moderately Priced Dwelling obligations of the Ordinance. Pursuant to the Payment-in-Support Contract, VBG was required to, among other things, pay a certain payment-in-support of affordable townhomes to be constructed and sold within VV (the “Payment-in-Support”) and the County, among other things, was required to enter into an agreement with its affordable housing designee (“County’s Designee”) to allow the County’s Designee to purchase the designated affordable townhomes and incorporate each of the affordable townhomes into its affordable housing program; and

WHEREAS, despite the Parties’ good faith efforts to implement the Payment-in-Support Contract, including the Payment-in-Support model described in the Payment-in-Support Contract, such model could not be effectuated, primarily due to market conditions; and

WHEREAS, Section 12.3(B) of the Ordinance permits a compact community developer to enter into a contract with the County that provides a payment-in-lieu of affordable lots within the compact community to fund the affordable housing initiatives detailed in Section 12.3(B)(i) through (iv) of the Ordinance (“Payment-in-Lieu”); and

WHEREAS, VBG and the County, by entering into this Agreement, agree to terminate the Payment-in-Support Contract and agree that VBG will now adopt the Payment-in-Lieu model detailed herein to satisfy the requirements of the Ordinance;

NOW, THEREFORE, FOR AND IN CONSIDERATION of the premises and respective benefits flowing to the County and VBG, the Parties agree as follows:

1. Recitals Incorporated. The foregoing recitals are incorporated in this Agreement by this reference and shall constitute a part hereof.
2. Purpose. The purposes of this Agreement are to terminate the Payment-in-Support Contract and to set forth the terms mutually agreeable to the Parties for the Payment-in-Lieu, satisfying the obligations set forth under the Ordinance.
3. Payment-in-Lieu to the County. The terms of the Payment-in-Lieu are as follows:
 - a. VBG will pay to the County a \$52,600 Payment-in-Lieu at the time of closing of the sale of the twentieth (20th) lot out of every 20 entitled lots within VV by VBG to a third-party residential developer or builder (the "Eligible Lot").
 - b. When VBG closes on the sale of the last of its residential entitlements, so long as VBG has been able to sell at least 180 residential entitled units total, VBG will pay enough to the County so that an aggregate total of \$526,000 as a Payment-in-Lieu will have been paid to the County for the Vickers Village project. In no event shall the Payment-in-Lieu exceed \$526,000.
 - c. VBG may request an accounting of the use to which the Payment-in-Lieu has been put by the County and the County shall provide the same within thirty (30) days of request by VBG.
 - d. It is understood by the Parties that the obligations set forth herein are zoning conditions that run with the land and may be enforced by the County by withholding any and all regulatory approvals.
4. Termination of Payment-in-Support Contract. The Parties hereby agree that the Payment-in-Support Contract is hereby terminated and shall have no further effect. The Parties hereby release each other from any obligations provided for in the Payment-in-Support Contract.
5. County's Acknowledgment. The County acknowledges that compliance with the terms of this Agreement by VBG will satisfy (i) VBG's affordable housing obligation under Site Specific Condition number 20 approved as part of the Rezoning Ordinance and (ii) its obligations under the Ordinance for affordable housing. From and after complying with its obligations under this Agreement, VBG shall have no further obligation regarding affordable housing with respect to VV.
6. Notices. All notices, payments, or other correspondence given or made pursuant to this Agreement shall be in writing, delivered in person, mailed by certified mail, return receipt requested, or delivery by a recognized overnight courier, postage or fees prepaid, addressed to a Party at the address given below, and shall be deemed effective upon the date received, via personal delivery, certified mail, or overnight delivery. The Parties shall be responsible for notifying each other of any change of address. Mailing addresses for Parties are as follows:

If to the County: Chatham County
 Attention: County Manager
 Post Office Box 1809
 Pittsboro, North Carolina 27312

And an additional copy (does not constitute notice) to

Jason Smith
Chatham County Housing and Community Development Director
Post Office Box 1809
Pittsboro, North Carolina 27312

If to VBG: Vickers Bennett Group
 Attention: Antonio McBroom
 62 Raven Ridge Court
 Chapel Hill, North Carolina 27517

And an additional copy (does not constitute notice) to

Nicolas P. Robinson
Bradshaw Robinson Slawter LLP
128 Hillsboro St. (overnight delivery)
P.O. Box 607 (USPS)
Pittsboro, NC 27312

7. Miscellaneous. This Agreement constitutes the entire agreement and understanding between the Parties and it is understood and agreed that all undertakings, negotiations, representations, promises, inducements, and agreements heretofore entered into between the Parties with respect to the matters contained herein are merged in this Agreement. This Agreement may not be changed orally, but only by a written document signed by the Parties. No waiver of any of the provisions of this Agreement shall be valid unless in writing and signed by the Party against whom it is sought to be enforced. The provisions of this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns. VBG may assign this Agreement. The provisions of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of North Carolina, and any action brought under or concerning this Agreement shall be brought and maintained in the Superior Court of Chatham County, North Carolina. The headings contained in this Agreement are solely for the convenience of the Parties and do not constitute a part of this Agreement and shall not be used to construe or interpret any provisions hereof. This Agreement shall be considered for all purposes as having been prepared by the joint efforts of the Parties and shall not be construed against one Party or the other as a result of preparation, substitution, submission, or other event of negotiation. This Agreement may be executed in any number of counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument, and the Parties hereto may execute this Agreement by signing any such counterpart.

8.

IN WITNESS WHEREOF, Chatham County and Vickers Bennett Group, LLC have caused this Termination of Payment-in-Support Contract and Agreement to Payment-In-Lieu Contract to be executed by their respective authorized representatives effective the day and year first above written.

VICKERS BENNETT GROUP, LLC

CHATHAM COUNTY

By: _____
Antonio McBroom, Manager

By: _____
Bryan Thompson, County Manager