

Prepared By and Mail To: Kenneth L. Eagle, 2235 Gateway Access Point, Suite 201, Raleigh, NC 27607

**SUPPLEMENTAL INDEMNITY AGREEMENT
TO
PERMANENT CONSERVATION EASEMENT**

THIS SUPPLEMENTAL INDEMNITY AGREEMENT TO PERMANENT CONSERVATION EASEMENT (the "Supplemental Indemnity Agreement") is dated and made effective this _____ day of _____, 2016, by and between Chatham Park Investors LLC, a North Carolina limited liability company, also referred to herein as "Grantor", and County of Chatham, a body politic and corporate of the State of North Carolina, also referred to herein as "County", Grantor and County being referred to herein together as the "parties".

BACKGROUND

1. Grantor is the owner of certain real property in Chatham County, North Carolina described on **Exhibit A** attached hereto and incorporated by reference (the "Property").
2. County is a body politic and corporate of the State of North Carolina and is qualified under Section 121-35 of the North Carolina General Statutes to be a holder or grantee of a permanent conservation easement.
3. Grantor desires to subject the Property to a "Permanent Conservation Easement" (the "Conservation Easement") and has asked County to be the "Grantee" of the Conservation Easement and, in accordance with this Supplemental Indemnity Agreement, Grantor has agreed to indemnify and hold County harmless from any and all costs in carrying out its obligations as Grantee under the Conservation Easement. The Conservation Easement is recorded in the office of the Chatham County, North Carolina Register of Deeds (the "Registry") in Book _____, Page _____ and is incorporated by reference as if fully set out herein.
4. County has agreed to be the Grantee of the Conservation Easement, provided that, in accordance with this Supplemental Indemnity Agreement, it is fully indemnified by Grantor from any and all costs in carrying out its obligations as Grantee under the Conservation Easement.

SUPPLEMENTAL INDEMNITY AGREEMENT

NOW, THEREFORE, in consideration of the mutual desires of the parties, and other valuable consideration, the sufficiency and receipt of which is acknowledged, the parties agree as follows:

1. For and in consideration of the County's agreement to serve as Grantee of the Conservation Easement, Grantor agrees to indemnify and hold County harmless from and against any liabilities, obligations, costs, charges, expenses, fines, penalties, and demands, including, but not limited to, reasonable attorneys and consultant fees, other legal and costs, and any other costs which may be incurred, imposed upon, or assessed against County by reason of, or in connection with, County's obligations as Grantee under the Conservation Easement, including without limitation, all actions taken by County to enforce the terms and conditions of the Conservation Easement against third parties, Grantor, its employees, agents, contractors, and subcontractors, or Grantor's successors and assigns (other than a Permitted Assignee, as defined herein, of Grantor's obligations under this Supplemental Indemnity Agreement), but excluding any of the foregoing cost, expenses, or fees arising out of a breach of the Conservation Easement by County.

It is the intention of the parties that under the indemnification provisions hereof that County, as the indemnified party, shall be entitled to demand and require that Grantor pay all costs, damages, fines, penalties, liabilities, and expenses of every nature, including reasonable attorneys and consultant fees, and other cost of enforcement or litigation (the “indemnified amounts”) covered by the indemnity herein when such indemnified amounts are due, and it shall not be necessary that County first expend such sums and then seek reimbursement from Developer.

2. The terms of this Supplemental Indemnity Agreement are in addition to the terms of the Conservation Easement and are for the express purpose of adding the additional obligation of Grantor as described herein.

3. Grantor may assign its obligations under the Conservation Easement and this Supplemental Agreement to any property owners association or other person or legal entity who becomes the owner of any part or all of the Property and who is accepted as assignee in writing by the County, which acceptance may be withheld in the reasonable discretion of the County (a “Permitted Assignee”), such assignment to be in writing and executed by both the assignor and assignee. No assignment, except to a Permitted Assignee, shall relieve or release Grantor of any of its obligations under the Conservation Easement or this Supplemental Indemnity Agreement. County may assign its rights under the Conservation Easement and this Supplemental Indemnity Agreement in accordance with the assignment provisions in the Conservation Easement. Any party who assigns any rights or obligations under the Conservation Easement or this Supplemental Indemnity Agreement shall record the assignment in the Registry and shall notify the other party of the assignment.

4. This Supplemental Indemnity Agreement shall be construed under the laws of the State of North Carolina.

5. This Supplemental Indemnity Agreement is binding on the parties and their respective successors and assigns.

6. Grantor shall record this Supplemental Indemnity Agreement in the Registry immediately following the recording of the Conservation Easement, and shall mail a recorded copy to the County at P. O. Box 1809, Attention: County Manager, Pittsboro, North Carolina 27312.

(execution page follows)

Wake County, North Carolina

I certify that the following person personally appeared before me this day and acknowledged to me that he executed the foregoing document on behalf of Chatham Park Investors LLC in the capacity indicated:

Date: _____

(affix seal or stamp here)

Notary Public
Printed/Typed Name: _____
My Commission Expires: _____

Chatham County, North Carolina

I certify that _____ personally appeared before me this day and acknowledged to me that he/she is _____ Clerk to the Board of Commissioners of Chatham County, North Carolina, and that by authority duly given and as the act of said County, the foregoing document was signed in its name by the _____ Chair of its Board of Commissioners, sealed with its official seal, and attested by himself/herself as its _____ Clerk.

Date: _____

(affix seal or stamp here)

Notary Public
Printed/Typed Name: _____
My Commission Expires: _____

EXHIBIT A

PROPERTY DESCRIPTION

LYING AND BEING in Chatham County, North Carolina, and being all of that real property contained in “Conservation Easement #1, containing 853,942 square feet (19.604 acres), more or less, and in Conservation Easement #2, containing 1,059,524 square feet (24.323 acres), more or less, as shown on a map recorded in the office of the Register of Deeds of Chatham County, North Carolina in Book of Maps 2013, Page 48 (which also may be known as Plat Slide 2013-48), said map being incorporated by reference as if fully set out herein.