

Prepared by and return to:  
Prepared by Poyner Spruill LLP, P.O. Box 1801, Raleigh, NC 27602

STATE OF NORTH CAROLINA  
COUNTY OF CHATHAM

## **ACQUISITION DISBURSEMENT AGREEMENT**

THIS ACQUISITION DISBURSEMENT AGREEMENT (this “Disbursement Agreement”) is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2026, by and between CHATHAM COUNTY, a body politic and corporate of the State of North Carolina (the “County”), and SECOND BLOOM OF CHATHAM, INC., a North Carolina nonprofit corporation having its registered office in Chatham County, North Carolina (“Second Bloom”). The County and Second Bloom may hereinafter be referred to individually as a “Party” or collectively as the “Parties.”

WHEREAS, The County and Second Bloom entered into that certain Agreement dated August 1, 2025 (the “Grant Agreement”), pursuant to which the County agreed to appropriate funds to Second Bloom for, among other purposes, the purchase of real property or the construction or acquisition of a facility to be used to provide emergency services to victims of domestic violence and sexual assault in Chatham County and incident services in support of income strategies to support survivors (the “Second Bloom Services”).

WHEREAS, Pursuant to the Grant Agreement, the County has appropriated the total sum of Four Hundred Fifty Thousand and No/100 Dollars (\$450,000.00) (the “Grant Funds”) to Second Bloom for the purchase of certain real property located at 16 Post Office Road and adjacent property, Chatham County Parcel Identification Numbers 0062658 and 0062657, Moncure, Chatham County, North Carolina, as more particularly described in Exhibit A attached hereto and incorporated herein by reference (the “Property”).

WHEREAS, The Grant Funds constitute a public grant appropriation for the public purpose of establishing and operating an emergency domestic violence and sexual assault shelter and incident services in support of income strategies to support survivors. The Grant Funds do not constitute a loan and no repayment is due or expected except upon the occurrence of a Default Event as defined herein.

WHEREAS, Pursuant to Section 6(a) of the Grant Agreement, Second Bloom has agreed to execute a deed of trust in favor of the County to secure the County's public investment in the Grant Funds (the “Deed of Trust”). The Deed of Trust shall be recorded in the Office of the Register of Deeds of Chatham County, North Carolina.

WHEREAS, This Disbursement Agreement is intended to create and evidence the conditional monetary obligation secured by the Deed of Trust, as contemplated by N.C.G.S. § 45-67, and in support of the Grant Agreement.

WHEREAS, The Parties acknowledge that the County is authorized to make this appropriation and to secure its public investment pursuant to the authority granted to counties under the General Statutes of the State of North Carolina, including the authority to contract with and appropriate funds to nonprofit corporations to carry out public purposes.

NOW, THEREFORE, for and in consideration of the Grant Funds appropriated and disbursed or to be disbursed by the County to Second Bloom, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### **Section 1. Definitions.**

As used in this Disbursement Agreement, the following terms shall have the meanings set forth below:

**“Commencement Date”** means the date on which a certificate of occupancy is issued for the Building, as that term is used in the Grant Agreement, or, if the Property is acquired with an existing building requiring no new certificate of occupancy, the date on which Second Bloom first occupies the Property for the provision of Second Bloom Services.

**“Deed of Trust”** means that certain North Carolina Deed of Trust executed by Second Bloom in favor of the County, to be recorded in the Office of the Register of Deeds of Chatham County, North Carolina, at Book \_\_\_\_, Page \_\_\_\_ (recording information to be inserted upon recordation).

**“Forgiveness Date”** means the date that is twenty (20) years after the Commencement Date.

**“Grant Agreement”** means that certain Agreement dated August 1, 2025, by and between the County and Second Bloom, as the same may be amended from time to time.

**“Grant Funds”** means the sum of Four Hundred Fifty Thousand and No/100 Dollars (\$450,000.00), of which (i) \$230,602.30 was disbursed by the County to Second Bloom simultaneous with the execution of this Disbursement Agreement for the purchase of the Property and (ii) \$150,000 was previously disbursed to Second Bloom in accordance with Paragraph 8 of the Grant Agreement for operating reserves. .

**“Property”** means the real property located at 16 Post Office Road and adjacent property, Chatham County Parcel Identification Numbers 0062658 and 0062657, Moncure, Chatham County, North Carolina, as more particularly described in Exhibit A.

**“Second Bloom Services”** has the meaning assigned in the Grant Agreement, and includes the operation of programs that prevent and respond to incidents of domestic violence and sexual assault and empower families to live free from violence and abuse.

**“Term”** means the period commencing on the Commencement Date and ending on the Forgiveness Date.

**“Default Event”** has the meaning set forth in Section 3 of this Disbursement Agreement.

## **Section 2. Conditional Repayment Obligation.**

2.1. Nature of Obligation. The Parties expressly acknowledge and agree that: (i) the Grant Funds constitute a grant, not a loan; (ii) no repayment is due or expected absent the occurrence of a Default Event; (iii) this Disbursement Agreement does not evidence or create a debt, promissory note, or conventional loan obligation; and (iv) the County Obligation arises solely as a conditional obligation triggered by the events specified in Section 3, for the purpose of protecting the County’s public investment.

2.2 Obligation for Payment of Money. Notwithstanding Section 2.1, the Parties acknowledge that the Grant Funds constitute an advance of funds and that the Deed of Trust secures the County’s right to recover the advance upon the occurrence of a Default Event.

2.3 Forgiveness. Upon the Forgiveness Date, the entire amount of the Grant Funds shall be deemed forgiven, and Second Bloom’s obligation shall be zero, and this Disbursement Agreement shall terminate in accordance with Section 7.

## **Section 3. Default and Acceleration.**

3.1 Each of the following shall constitute a “Default Event” under this Disbursement Agreement:

3.1.1 Sale, Transfer, or Conveyance. Except for easements or residential or commercial leases in the ordinary course of business, any sale, transfer, conveyance,

assignment, or other disposition of the Property or any interest therein (whether voluntary or involuntary, and whether by operation of law or otherwise), including without limitation any transfer by foreclosure (other than foreclosure of the Deed of Trust by the County), deed in lieu of foreclosure, sheriff's sale, tax sale, or condemnation, without the prior written consent of the County; provided, however, that the granting of a leasehold interest in a portion of the Property for the purpose of providing services ancillary to the Second Bloom Services shall not constitute a Default Event if such lease is approved in writing by the County. Nothing herein shall prohibit Second Bloom from purchasing additional property for emergency shelter purposes and/or incident services in support of income strategies to support survivors.

3.1.2 Dissolution or Cessation of Operations. The dissolution, winding up, liquidation, or cessation of corporate existence of Second Bloom; or the cessation of Second Bloom's operations at the Property for a continuous period of one hundred eighty (180) days or more, unless such cessation is caused by casualty or condemnation and Second Bloom is diligently pursuing restoration or relocation within Chatham County.

3.1.3 Failure to Use for Public Purpose. The failure to use the Property, including any building or structure located thereon, for the provision of Second Bloom Services (as an emergency domestic violence and sexual assault shelter or related uses) for a continuous period of one hundred eighty (180) days or more, unless such failure is caused by casualty or condemnation and Second Bloom is diligently pursuing restoration.

3.1.4 Default Under Grant Agreement. A material default by Second Bloom under the Grant Agreement that remains uncured after notice and the expiration of any applicable cure period set forth therein, to the extent such default is related to the use of Grant Funds or the operation of Second Bloom Services at the Property.

## **Section 4. Notice and Cure.**

4.1 Notice of Default Event. Upon the County's determination that a Default Event has occurred or is reasonably likely to occur, the County shall deliver written notice thereof to Second Bloom (the "Default Notice"), specifying: (i) the nature of the Default Event; (ii) the outstanding Grant Funds as of the date of the Default Notice; and (iii) the actions, if any, that Second Bloom may take to cure the Default Event.

4.2 Cure Period. Second Bloom shall have sixty (60) days following receipt of the Default Notice to cure the Default Event to the County's reasonable satisfaction (the "Cure Period"); provided, however, that: (i) no Cure Period shall apply to a Default Event described in Section 3.1.1 (sale, transfer, or conveyance) where the transfer has been completed; and (ii) if the Default Event is of a nature that cannot reasonably be cured within sixty (60) days, and Second Bloom has commenced and is diligently

pursuing such cure, the Cure Period shall be extended for an additional sixty (60) days (for a total of one hundred twenty (120) days).

4.3 Maturity Upon Failure to Cure. If Second Bloom fails to cure the Default Event within the applicable Cure Period, the County may exercise any and all remedies available under this Disbursement Agreement, the Deed of Trust, and applicable law.

4.4 Manner of Notice. All notices under this Section shall be in writing and delivered in accordance with Section 9 of this Disbursement Agreement.

## **Section 5. Security.**

5.1 Deed of Trust. The County Obligation and all other obligations of Second Bloom under this Repayment Agreement are secured by the Deed of Trust encumbering the Property. Second Bloom agrees to execute and deliver the Deed of Trust simultaneously with or promptly following the execution of this Disbursement Agreement and the conveyance of the Property to Second Bloom.

5.2 Cross-Reference. The Deed of Trust shall reference this Disbursement Agreement as the instrument evidencing the obligation secured thereby, and this Disbursement Agreement shall reference the Deed of Trust by book and page number (or document number) upon recordation. Until such recording information is available, the Deed of Trust and this Disbursement Agreement shall cross-reference each other by date of execution and the parties thereto.

## **Section 6. Remedies.**

6.1 Foreclosure. Following a Default Event and expiration of the applicable Cure Period without cure, the County may direct the Trustee named in the Deed of Trust to exercise the power of sale contained therein and conduct a foreclosure sale of the Property in accordance with N.C.G.S. Chapter 45, Article 2A, including the notice and hearing requirements of N.C.G.S. § 45-21.16.

6.2 Other Remedies. In addition to foreclosure, the County shall have all rights and remedies available at law or in equity..

6.3 No Waiver. The County's failure to exercise any remedy upon the occurrence of a Default Event shall not constitute a waiver of such remedy or of any subsequent Default Event. All remedies are cumulative and not exclusive.

6.4 Costs and Expenses. In the event the County exercises any remedy under this Section, Second Bloom shall be responsible for all reasonable costs and expenses incurred by the County in connection therewith, including reasonable attorneys' fees actually incurred to the extent permitted by law.

## **Section 7. Term and Release**

7.1 Term. This Disbursement Agreement shall remain in full force and effect from the date hereof until the earlier of: (i) the Forgiveness Date, provided no Default Event has occurred and remains uncured; (ii) the date on which the County exercises its County Obligation; or (iii) the date on which the County delivers a written release of this Disbursement Agreement.

7.2 Release of Deed of Trust. Within thirty (30) days following the termination of this Disbursement Agreement pursuant to Section 7.1(i) above, the County shall execute and deliver to Second Bloom, and shall cause to be recorded in the Office of the Register of Deeds of Chatham County, a satisfaction and release of the Deed of Trust in accordance with N.C.G.S. § 45-37. Second Bloom shall retain sole ownership of the Property free and clear of the lien of the Deed of Trust.

7.3 Survival. Notwithstanding the foregoing, if a Default Event has occurred prior to the Forgiveness Date and remains uncured, this Disbursement Agreement and the Deed of Trust shall remain in full force and effect until the County Obligation is satisfied or otherwise discharged.

## **Section 8. Relationship to Grant Agreement.**

8.1 Supplement, Not Replacement. This Disbursement Agreement supplements, and does not supersede or replace, the Grant Agreement. All terms, conditions, covenants, and obligations of the Grant Agreement remain in full force and effect. In the event of any conflict between this Disbursement Agreement and the Grant Agreement with respect to the Disbursement Obligation, the Default Events, or the security for the County's investment, this Repayment Agreement shall control.

8.2 Incorporation. The terms and conditions of the Grant Agreement are incorporated herein by reference to the extent not inconsistent with this Disbursement Agreement.

## **Section 9. Notices.**

All notices, demands, requests, and other communications required or permitted under this Disbursement t Agreement shall be in writing and shall be deemed duly given: (i) when delivered personally; (ii) one (1) business day after deposit with a nationally recognized overnight courier service, prepaid; or (iii) three (3) business days after deposit in the United States mail, certified or registered, return receipt requested, postage prepaid, addressed as follows:

If to the County:  
Chatham County Manager's Office

PO Box 1809  
Pittsboro, NC 27312

If to Second Bloom:  
Second Bloom of Chatham, Inc.  
136 West Street  
Pittsboro, NC 27312

or to such other address as either Party may designate in writing to the other Party in accordance with this Section.

#### **Section 10. Lien Maturity.**

For purposes of N.C.G.S. § 45-36.24, the maturity date of the obligation secured by the Deed of Trust shall be the Forgiveness Date (i.e., twenty (20) years after the Commencement Date). In the event the Commencement Date has not occurred and cannot be determined from the public record, the maturity date shall be deemed to be twenty-one (21) years from the date of recordation of the Deed of Trust.

#### **Section 11. Governing Law.**

This Disbursement Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of North Carolina, without regard to conflicts of law principles.

#### **Section 12. Miscellaneous.**

12.1 Entire Agreement. This Disbursement Agreement, together with the Grant Agreement and the Deed of Trust, constitutes the entire agreement between the Parties and the security therefor.

12.2 Amendment. This Disbursement Agreement may not be amended, modified, or supplemented except by a written instrument executed by both Parties.

12.3 Severability. If any provision of this Disbursement Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall continue in full force and effect.

12.4 Successors and Assigns. This Disbursement Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Second Bloom may not assign its obligations under this Disbursement Agreement without the prior written consent of the County.

12.5 No Assignment of County's Rights Without Notice. The County may assign its rights under this Disbursement Agreement and the Deed of Trust without the consent of Second Bloom, provided that written notice of such assignment is given to Second Bloom within thirty (30) days of such assignment.

12.6 Waiver. No waiver of any provision of this Disbursement Agreement shall be effective unless in writing and signed by the Party against whom enforcement is sought. No waiver of any Default Event or default shall constitute a waiver of any subsequent Default Event or default.

12.7 Headings. The headings in this Disbursement Agreement are for convenience only and shall not affect the interpretation of any provision.

12.8 Counterparts. This Disbursement Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the Parties have executed this as of the date first written above.

[SIGNATURE PAGES AND EXHIBITS FOLLOW]

**CHATHAM COUNTY**

\_\_\_\_\_  
Bryan Thompson, County Manager

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Roy Lynch Title: Finance Director

**STATE OF NORTH CAROLINA  
COUNTY OF CHATHAM**

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that Bryan Thompson personally appeared before me this day and acknowledged that he is the County Manager of Chatham County, and that by authority duly given and as the act of said County, the foregoing instrument was signed in its name by him as County Manager.

WITNESS my hand and notarial seal, this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Notary Public (Official Signature)

My commission expires: \_\_\_\_\_

[NOTARIAL SEAL]

**SECOND BLOOM OF CHATHAM, INC.,**  
a North Carolina nonprofit corporation

\_\_\_\_\_  
Samantha H. Owusu, Board Chair

STATE OF NORTH CAROLINA  
COUNTY OF CHATHAM

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that Samantha H. Owusu personally appeared before me this day and acknowledged that she is the Board Chair of Second Bloom of Chatham, Inc., a North Carolina nonprofit corporation, and that by authority duly given and as the act of said corporation, the foregoing instrument was signed in its name by her as its Executive Director.

WITNESS my hand and notarial seal, this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Notary Public (Official Signature)

My commission expires: \_\_\_\_\_

[NOTARIAL SEAL]

## **EXHIBIT A - LEGAL DESCRIPTION**

Being all of those certain tracts or parcels of land located in Haw River Township, Chatham County, North Carolina and being more particularly described as follows:

### **Tract One:**

Being all of Lot 71, as shown on plat entitled "Map of Moncure and Vicinity Chatham Co NC", dated August, 1930, prepared by Francis Deaton, State Registered Engineer, and recorded in Plat Book 1, Page 1 (1B) of the Chatham County Registry and being the same property as recorded in Book EH, Page 74, Chatham County Registry and shown on Map recorded in Map Book 2, Page 89, Chatham County Registry, and further being all of Chatham County Tax Parcel Number 0062657.

LESS AND EXCEPT any and all prior out conveyances.

See Map recorded in Plat Book 96, Page 405, Chatham County Registry, for reference.

### **Tract Two:**

Beginning at the Moncure Methodist Church Southeast corner in Pittsboro Street, Lot # 71 as per plat and survey hereinafter referred to; running thence South 12 deg. 30 min. East with Pittsboro Street 85 feet to W.T. Barnes' corner; running thence with Barnes' line South 77 deg. 30 min West 155 ft. to Evelyn Bryan's line; running thence North 12 deg. 30 min. West with Bryan's line 85 ft. to the Moncure Methodist Church corner; running thence with the Church line North 77 deg. 30 min. East 155 ft. to the point of BEGINNING, and being a portion of Lot #72 as per plat and survey of the Town of Moncure, recorded in Chatham County Registry, Plat Book 1, at Page 1 (B), and being the same property as recorded in Book 326, Page 133, Chatham County Registry, and further being all of Chatham County Tax Parcel Number 0062658.

See Map recorded in Plat Book 96, Page 405, Chatham County Registry, for reference.