

SEWER DEVELOPMENT AND SALE AGREEMENT

THIS SEWER DEVELOPMENT AND SALE AGREEMENT (this "Agreement") is made this 15th day of November, 2023, between HIGH HAMPTON LAND, LLC, a Delaware limited liability company ("**Developer**"), HIGH HAMPTON WATER, LLC, a Delaware limited liability company ("**HH Water**"), and CASHIERS MARKETPLACE, LLC, a Georgia limited liability company ("**Owner**"). Developer, HH Water and Owner are sometimes referred to herein each individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. Developer is engaged in the real estate development business in Jackson County, North Carolina, and, in fulfillment of its real estate development objectives, has from time to time and continues to acquire for appropriate consideration reservations of sewer capacity. Developer has acquired such reservation of capacity with the intent of making its development objectives possible. Without such reservation of capacity development of property is not possible. Among its options, Developer from time to time is approached by other developers such as Owner who also desire to develop property in Jackson County, North Carolina and who are willing to purchase from Developer some portion of Developer's reservation of capacity in order to make their development objective possible. Such sales of reservation of capacity occur on an open market and are not regulated by the North Carolina Utilities Commission ("**NCUC**").

B. HH Water is currently seeking to obtain all licenses, approvals and authorizations required under applicable Law [REDACTED]

C. The capacity at issue in this Agreement is capacity in the sewer system (the "**System**") to be operated by HH Water, [REDACTED], from a sewer plant (the "**Plant**") located in Jackson County, North Carolina. The System currently is being expanded by Developer (the "**Plant Expansion**") for use by HH Water, subject to HH Water's obtaining the applicable Sewer Authorizations.

D. At such time as Developer and/or Owner utilize their reserved capacity to facilitate development of their respective properties, [REDACTED] HH Water will have the right to charge the Developer and/or Owner or other end-users within the properties they develop for the regulated utility services HH Water will provide under tariffs approved by the NCUC.

E. Owner desires to develop a mixed-use development to be known as "Cashiers Marketplace" (the "**Development**") on approximately thirty-one (31) acres of real property owned by Owner and located at 179 Highway 107 South, Cashiers, Jackson County, North

Carolina within the pre-existing service area of TWSA, as more particularly described on Exhibit A attached to this Agreement (the “**Real Estate**”).

F. Owner desires to connect the Development to the System which shall require HH Water and Owner to each construct, or cause to be constructed, certain sanitary sewer lines, facilities and other appurtenances as further detailed herein.

G. Upon completion of such sanitary sewer appurtenances which HH Water is responsible for causing to be constructed pursuant to this Agreement [REDACTED] Owner desires to purchase from Developer, and Developer desires to sell to Owner, certain sanitary sewer capacity rights in and to the System.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

SECTION 1 RECITALS AND DEFINITIONS

Section 1.1 Recitals. The foregoing recitals are true and correct and are incorporated by reference herein.

Section 1.2 Definitions. All capitalized terms not otherwise defined in this Agreement or on Exhibit B to this Agreement shall have the respective meanings set forth in this Agreement and the Security Instrument, as applicable.

SECTION 2 UTILITY WORK

Section 2.1 HH Water Utility Work.

(a) [REDACTED] HH Water will cause to be constructed a sewer line (the “**Line**”) from the Plant to a certain point on the boundary line of the Real Estate closest to the location of the Line as determined by HH Water after receiving input from Owner (“**End Point**”). Upon determination of the End Point, HH Water will provide Owner with a drawing showing the location of the End Point. HH Water, at its expense, shall cause the Line to be constructed by a licensed third-party contractor (“**Contractor**”) to specifications which are sufficient to transport the Sewer Capacity (as defined in Section 4.3 below) (the “**Line Specifications**”). The work described in this Section 2.1(a) is defined as the “**HH Water Utility Work**”. The HH Water Utility Work shall be substantially completed on or before June 30, 2026 (the “**Completion Date**”).

(b) Upon Substantial Completion of the Lines, HH Water shall promptly deliver to Owner a certificate stating that the HH Water Utility Work has reached Substantial Completion (the “**Certificate of Substantial Completion**”).

(c) [REDACTED] the Line shall be owned and maintained by HH Water and, following the Closing of the transactions under this Agreement, Owner shall look solely to HH Water for provision of sewer services with charges, rates and fees established by HH Water in accordance with Law, and maintenance of the Line pursuant to a separate agreement or agreements to be entered into between Owner and HH Water (the “**Sanitary Sewer Services Agreement**”). Developer shall have no liability or obligation under any separate agreement(s) entered into between Owner and HH Water.

Section 2.2 Owner Utility Work.

(a) Owner is solely responsible, at its own expense, for constructing on the Real Estate in accordance with plans and specifications approved by HH Water prior to Owner’s commencement of construction (i) sanitary sewer lines and water lines for each unit or phase of the Development, (ii) a lift station for the Development, and (iii) a collection system to serve the Development (collectively, the “**Owner Utility Work**”).

(b) Owner is solely responsible, at its own expense, for ensuring that the Owner Utility Work (i) has sufficient capacity to collect, transport and dispose of the Development’s effluent, (ii) complies with all applicable laws and regulations, (iii) complies with HH Water’s policies and procedures as promulgated from time to time.

(c) Owner is solely responsible, at its own expense, for connecting the Lines from their respective End Point to the Owner Utility Work. In the event that HH Water is required by NCUC to charge any usage or tap fees to HH Water for connection of the Lines to the Owner Utility Work, Developer agrees that the Sewer Capacity Purchase Price as defined in Section 4.3 below) shall be reduced by the amount of such fees.

(d) The Owner Utility Work shall be owned and maintained by Owner.

Section 2.3 Obligation to Enter into Easements. Owner and HH Water shall enter into any temporary and/or permanent easement which shall be reasonably necessary in connection with either such Party’s work described in Section 2.1 and Section 2.2 of this Agreement. Each such Party shall further assist and cooperate with the other such Party, as applicable, in obtaining any other easement(s) that are reasonably necessary in connection with either of such Party’s work described in Section 2.1 and Section 2.2 of this Agreement.

SECTION 3 DEPOSIT AND COLLATERAL

Section 3.1 Deposits.

(a) Prior to December 23, 2023, Owner shall pay Developer a deposit

which deposit shall be credited towards Owner's payment of the Sewer Capacity Purchase Price (as defined in Section 4.3 below) at the Closing.

(c) The Deposit(s) shall be refundable only if the Closing does not occur on or before the Closing Deadline (as defined in Section 4.1 below) due to breach or default under this Agreement by Developer or HH Water. If the Closing does not occur on before the Closing Deadline for any reason other than breach or default under this Agreement by Developer or HH Water, including a breach by Owner of this Agreement or the Security Instrument, the Deposit(s) shall be retained by Developer, without limiting any other remedies which Developer or HH Water may have under this Agreement or under applicable Law.

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Section 3.3 Title and Survey. Within thirty (30) days after the execution and delivery of this Agreement, Owner shall furnish to Developer the following items at Owner's sole cost and expense:

(a) A lender's policy of title insurance in an amount equal to the Sewer Capacity Purchase Price issued by Investors Title Insurance Company (the "**Title Insurance Company**"), insuring to Developer the first lien of the Security Instrument on the Real Estate and the Improvements together with any easements for parking and ingress and egress which benefit the Real Estate, free and clear of all liens, claims, encumbrances, easements, encroachments and defects, except for the lien of current real estate taxes not delinquent and other restrictions of record acceptable to Developer. Such policy shall contain such special coverage endorsements as Developer may reasonably require. Upon request by Developer, Owner shall deliver to Developer satisfactory evidence from the Title Insurance Company acknowledging payment in full by Owner for all premiums, costs and expenses for issuance of such policy and obligating the Title Insurance Company to (i) issue a continued commitment after recordation of the Security Instrument which shows the Security Instrument as a first lien upon the Real Estate subject to the above conditions, and (ii) issue, upon demand by Developer, a final extended coverage lender's policy of title insurance on the ALTA 2006 Loan Policy form with only exceptions satisfactory to Developer which insures the first lien of the Security Instrument (the final policy required pursuant to the terms of this Agreement is herein referred to as the "**Title Insurance Policy**").

(b) A survey of the Real Estate and insured easements prepared in accordance with the American Land Title Association's and the National Society of Professional Surveyors, Inc.'s minimum standards for surveys, showing by stakes or foundation lines the location of the Improvements thereon prepared and certified to Developer by a registered land surveyor acceptable to Developer and containing a certification in respect to the legal description, compliance with applicable zoning ordinances and that the Real Estate is not in an area designated as a Wetland. The survey should be performed in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and shall include Items 1, 2, 3, 4, 5, 6(a), 6(b), 7(a), 7(b)(1), 7(c), 8, 9, 10(a), 11, 13, 16, 17, 18, and 19 of Table A thereof. A minimum standard detail requirement certification shall be set forth on the survey or on a certificate attached to the survey and certified to Developer and the Title Insurance Company.

Section 3.4 Environmental. Within thirty (30) days after the execution and delivery of this Agreement, Owner shall furnish to Developer at Owner's sole cost and expense an environmental site assessment report for the Real Estate in form and substance acceptable to Developer that at a minimum meets the Standard Practice for Environmental Site Assessments: Phase 1, Environmental Site Assessment Process, ASTM E-1527 of the American Society for Testing and Materials, which satisfies the federal "All Appropriate Inquiries" rule set forth in 40 CFR Part 312 as of the date Owner acquired title to the Real Estate, prepared and certified to Developer by an environmental consultant acceptable to Developer.

Section 3.5 Other Real Estate Matters. Owner shall furnish to Developer each of the following:

(a) such written estoppel agreements and subordination agreements as may be reasonably required by Developer; and

(b) such other documents, instruments and agreements which may be reasonably required by the Title Company in order to issue the Title Insurance Policy.

SECTION 4

CLOSING; PAYMENT OF PURCHASE PRICE; CLOSING DELIVERIES

Section 4.1 Closing. The Closing (the “**Closing**”) shall take place, subject to satisfaction or waiver of the conditions to Closing set forth in Section 7 and Section 8 of this Agreement, at a location mutually agreed by the Parties on a date designated by Developer upon at least ten (10) days’ prior written notice to Owner. The Closing must occur no later than June 30, 2026 (the “**Closing Deadline**”).

Section 4.2 Closing Date. For purposes of this Agreement, the “**Closing Date**” is the date on which the Closing shall occur.

Section 4.3 Purchase and Sale of Sewer Capacity Rights; Payment of Line Construction Fee. At the Closing:

(a) Developer shall sell to Owner, and Owner shall purchase from Developer, 65,000 gallons per day of sanitary sewer capacity (the “**Sewer Capacity**”) from the System [REDACTED]

Section 4.4 Closing Deliveries of Owner. At the Closing, Owner shall deliver the following to Developer and HH Water, as applicable:

(a) the Sewer Capacity Purchase Price to Developer (less the amount of the Deposits paid by Owner to Developer prior to the Closing) by wire transfer of immediately available funds to an account designated by Developer;

(c) a Bill of Sale and Assignment and Assumption of the Sewer Capacity in form reasonably acceptable to Developer and Owner (the “**Assignment and Assumption**”), duly executed by Owner;

(d) the Sanitary Sewer Services Agreement, duly executed by Owner;

(e) a certificate of an officer or manager of Owner certifying to (i) resolutions adopted by the managers and members of Owner authorizing Owner's execution, delivery and performance of this Agreement and the other transaction documents to which Owner is a party; and (ii) the names and signatures of the officers or managers of Owner authorized to sign this Agreement and the other documents to be delivered hereunder and thereunder;

(f) a certificate of an officer or manager of Owner certifying that the closing conditions set forth in Section 7.1 and Section 7.2 have been satisfied; and

(g) a closing statement reflecting the payments made by Owner, Developer and HH Water, as applicable, in accordance with this Agreement, duly executed by Owner (the "**Closing Statement**").

Section 4.5 Closing Deliveries of Developer and HH Water. At the Closing, Developer and HH Water, as applicable, shall deliver the following to Owner:

(a) the Assignment and Assumption Agreement, duly executed by Developer and, if applicable, HH Water;

(b) the Sanitary Sewer Services Agreement, duly executed by HH Water;

(c) certificates of officers or managers of Developer and HH Water certifying to (i) resolutions adopted by the managers and members of Developer and HH Water authorizing execution, delivery and performance of this Agreement by Developer and HH Water and the other transaction documents to which Developer or HH Water, as applicable, is a party; and (ii) the names and signatures of the officers or managers of Developer and HH Water authorized to sign this Agreement and the other documents to be delivered hereunder and thereunder;

(d) certificates of officers or managers of Developer and HH Water certifying that the closing conditions set forth in Section 8.1 and Section 8.2 have been satisfied;

(e) the Closing Statement, duly executed by Developer and HH Water; and

(f) a release of the Security Instrument, if applicable, duly executed by Developer in recordable form.

SECTION 5 REPRESENTATIONS AND WARRANTIES OF OWNER

Owner hereby represents and warrants to Developer and HH Water as follows:

Section 5.1 Power and Authority. Owner has the full right, power and authority to enter into this Agreement.

Section 5.2 Due Authorization. The execution, delivery and performance of this Agreement have been duly and validly authorized by Owner.

Section 5.3 Execution; Enforceability. This Agreement has been duly executed and delivered by Owner and constitutes the valid and binding obligation of Owner, enforceable against Owner in accordance with its terms.

Section 5.4 Existence; Good Standing. Owner is a limited liability company validly existing and in good standing under the laws of the State of Georgia.

Section 5.5 No Violation. Neither the execution nor delivery of this Agreement, nor consummation of the transactions contemplated herein will conflict with, violate or result in a breach or default under, any contract, agreement, judgment, decree or court order to which Owner is a party or to which Owner is subject or by which any of Owner's assets is subject.

Section 5.6 No Litigation or Proceedings. There are no actions, suits or proceedings pending or, to Owner's knowledge, threatened against or affecting Owner which may adversely affect the validity or enforceability of this Agreement or Owner's ability to consummate the transactions contemplated herein.

Section 5.7 Title to Real Estate. Owner owns good and marketable fee simple title to the Real Estate, free and clear of all liens and encumbrances.

Section 5.8 Environmental. Owner has not received any notice or other communication (in writing or otherwise), whether from a Governmental Authority, employee or otherwise, that alleges that Owner is not in compliance with any Environmental Law. Owner has not placed any Hazardous Substances on the Real Estate.

Section 5.9 Financial Ability. Owner will have cash on hand or financing available at Closing to enable it (i) to pay the Sewer Capacity Purchase Price and the Line Construction Fee and to consummate the transactions contemplated by this Agreement and (ii) to otherwise perform its obligations under this Agreement.

SECTION 6 REPRESENTATIONS AND WARRANTIES OF DEVELOPER AND HH WATER

Developer and HH Water hereby represent and warrant to Owner as follows:

Section 6.1 Authority. Each of Developer and HH Water has the right, power and authority to enter into this Agreement.

Section 6.2 Due Authorization. The execution, delivery and performance of this Agreement have been duly and validly authorized by each of Developer and HH Water.

Section 6.3 Execution; Enforceability. This Agreement has been duly executed and delivered by each of Developer and HH Water and constitutes the valid and binding obligation of each of Developer and HH Water, enforceable against them in accordance with its terms.

Section 6.4 Existence and Good Standing. Each of Developer and HH Water is a limited liability company validly existing and in good standing under the laws of the State of Delaware.

Section 6.5 No Violation. Neither the execution nor delivery of this Agreement, nor consummation of the transactions contemplated herein will conflict with, violate or result in a breach or default under, any contract, agreement, judgment, decree or court order to which either of Developer or HH Water is a party or to which either of Developer or HH Water is subject or by which any of the assets of Developer or HH Water is subject.

Section 6.6 Litigation; Proceedings. There are no actions, suits or proceedings pending, or to the knowledge of Developer and HH Water, threatened against or affecting either of Developer or HH Water which may adversely affect the validity or enforceability of this Agreement or the ability of Developer or HH Water to consummate the transactions contemplated herein.

SECTION 7 DEVELOPER'S AND HH WATER'S CONDITIONS TO CLOSING

The obligations of Developer and HH Water to consummate the Closing are subject to the fulfillment of each of the following conditions (except to the extent waived in writing by Developer and HH Water in their sole discretion):

Section 7.1 Representations and Warranties. The representations and warranties made by Owner in Section 5 shall (i) be materially complete and accurate on and as of the date of this Agreement and as of the Closing Date and (ii) in the case of representations expressly made as of an earlier date, be materially complete and accurate as of such earlier date.

Section 7.2 Performance of Covenants. Owner shall have performed and complied, in all material respects, with all covenants and agreements to be performed or complied with by it under this Agreement prior to or at the Closing.

Section 7.3 Injunctions. There shall not be any Law of any Governmental Authority having jurisdiction restraining, permanently enjoining or otherwise prohibiting or making illegal the consummation of the transactions contemplated by this Agreement.

Section 7.4 Plant Expansion. The Plant Expansion shall have been completed and operational under applicable Law as evidenced by HH Water having received an Authorization to Operate the Plant Expansion by the Jackson County, North Carolina Health Department pursuant to G.S. 130A-336.2(m), together with any other licenses, permits and registrations which may be required in order for HH Water to operate the Plant Expansion.

Section 7.5 Governmental Authority Approvals. Developer and HH Water shall have obtained all Governmental Authority approvals required under applicable Law [REDACTED]

Section 7.6 Closing Deliveries. Owner shall have delivered to Developer and HH Water all of the items required pursuant to Section 4.4.

Section 7.7 Termination. Neither Owner, on the one hand, nor Developer and HH Water, on the other hand, shall have validly terminated this Agreement in accordance with Section 10.

SECTION 8 OWNER'S CONDITIONS TO CLOSING

The obligation of Owner to consummate the Closing is subject to the fulfillment of each of the following conditions (except to the extent waived in writing by Owner in its sole discretion):

Section 8.1 Representations and Warranties. The representations and warranties made by Developer and HH Water in Section 6 shall (i) be materially complete and accurate on and as of the date of this Agreement and as of the Closing Date and (ii) in the case of representations expressly made as of an earlier date, be materially complete and accurate as of such earlier date.

Section 8.2 Performance of Covenants. Developer and HH Water shall have performed and complied, in all material respects, with all covenants and agreements to be performed or complied with by them under this Agreement prior to or at Closing.

Section 8.3 Injunctions. There shall not be any Law of any Governmental Authority having jurisdiction restraining, permanently enjoining or otherwise prohibiting or making illegal the consummation of the transactions contemplated by this Agreement.

Section 8.4 Certificate of Substantial Completion. HH Water shall have delivered the Certificate of Substantial Completion to Owner.

Section 8.5 Closing Deliveries. Developer shall have delivered to Owner all of the items required pursuant to Section 4.5.

Section 8.6 Sewer Authorizations. HH Water shall have obtained the Sewer Authorizations.

Section 8.7 Termination. Neither Owner, on the one hand, nor Developer or HH Water, on the other hand, shall have validly terminated this Agreement in accordance with Section 10.

SECTION 9 DEFAULT; REMEDIES; LIMITATION OF LIABILITY

Section 9.1 Owner Events of Default. The following shall constitute events of default by Owner under this Agreement (each, an “**Owner Event of Default**”):

(a) if Owner fails to comply with any of the provisions of this Agreement and such default shall continue unremedied for a period of thirty (30) days after the date on which Developer and HH Water give Owner written notice of such default;

(b) if any representation or warranty made by Owner in this Agreement or in any report, certificate or other instrument delivered to Owner under this Agreement shall be untrue in any material respect at the time it was made and causes Developer or HH Water to be materially damaged;

[REDACTED]

(d) if any lien, statement of lien or suit to enforce a lien is filed against any of the Collateral and Owner fails to have such lien satisfied or suit dismissed or to secure the payment of the amount claimed by such lien, statement of lien or suit by a bond, letter of credit or other security satisfactory to Developer, within thirty (30) days of the day: (1) such lien or statement of lien is filed in the governmental office maintaining the official real property records of the county in which the Real Estate is located; or (2) such suit is filed in court;

(e) if Owner at any time prior to the Closing abandons the Development;

(f) if Owner fails to pay its debts generally as they come due, or if a receiver, trustee, liquidator or other custodian is appointed for Owner or for any of the property of Owner, or if a petition in bankruptcy (whether for liquidation, reorganization, arrangement or otherwise) is filed by or against Owner, or if Owner applies for the benefits of, or takes advantage of, any law for relief of debtors, or enters into an arrangement or composition with, or makes an assignment for the benefit of, creditors; provided, however, that in the case of an involuntary bankruptcy filing or other proceeding, said filing or other proceeding involving Owner shall not be deemed an Owner Event of Default hereunder unless such filing or other proceeding shall continue undismissed or unstayed for a period of thirty (30) consecutive calendar days;

(g) if Owner admits to being insolvent or dissolves;

(h) if any other “Event of Default” or default occurs under the Security Instrument; or

(i) if an event occurs which results in Owner’s inability to perform the Obligations.

Section 9.2 Developer and HH Water Events of Default. The following shall constitute events of default by Developer and HH Water under this Agreement (each, a **“Developer/HH Water Event of Default”**):

- (a) if Developer or HH Water fails to comply with any of the provisions of this Agreement and such default shall continue unremedied for a period of thirty (30) days after the date on which Owner gives Developer and HH Water written notice of such default;
- (b) if any representation or warranty made by Developer or HH Water in this Agreement or in any report, certificate or other instrument delivered to Owner under this Agreement shall be untrue in any material respect at the time it was made and which causes Owner to be materially damaged;
- (c) if Developer or HH Water fails to pay its debts generally as they come due, or if a receiver, trustee, liquidator or other custodian is appointed for Developer or HH Water or for any of the property of Developer or HH Water, or if a petition in bankruptcy (whether for liquidation, reorganization, arrangement or otherwise) is filed by or against Developer or HH Water, or if Developer or HH Water applies for the benefits of, or takes advantage of, any law for relief of debtors, or enters into an arrangement or composition with, or makes an assignment for the benefit of, creditors; provided, however, that in the case of an involuntary bankruptcy filing or other proceeding, said filing or other proceeding involving Developer or HH Water shall not be deemed a Developer/HH Water Event of Default hereunder unless such filing or other proceeding shall continue undismissed or unstayed for a period of thirty (30) consecutive calendar days; or
- (d) if Developer or HH Water admits to being insolvent or dissolves.

Section 9.3 Remedies of Developer and HH Water Upon Owner Event of Default. Upon the occurrence of an Owner Event of Default (subject to any applicable cure period), Developer and HH Water, may, as applicable and at their option, take any or all of the following actions:

- (a) Perform on behalf of Owner the obligations which created such default, in which event all reasonable costs and expenses paid or incurred by Developer and HH Water in curing any such default shall be due and payable in full by Owner on written demand by Developer and HH Water;
- (b) Exercise all rights and remedies available to Developer under the Security Instrument;
- (c) Exercise all of the rights and remedies available to Developer and HH Water at law and in equity, including, without limitation, seeking to recover all of Developer’s and HH Water’s damages and seeking injunctive relief to enjoin such action or inaction including, without limitation, seeking specific performance;

- (d) Developer may retain the Deposits;
- (e) Developer may seek reimbursement from Owner for any and all costs incurred by Developer in the performance of its obligations under this Agreement; and/or



Section 9.4 Remedies of Owner Upon Developer/HH Water Event of Default. Upon the occurrence of a Developer/HH Water Event of Default (subject to any applicable cure period), Owner may at its option take either of the following actions:

- (a) To the extent possible, perform on behalf of Developer and HH Water the obligations which created such default, in which event all reasonable costs and expenses paid or incurred by Owner in curing any such default shall be due and payable in full by Developer and HH Water on written demand by Owner;
- (b) Terminate this Agreement and receive a refund of the Deposits; and/or
- (c) To the extent possible, seek specific performance of this Agreement.

Section 9.5 Limitation of Damages. Notwithstanding any other provision of this Agreement, in no event shall:

- (a) any Party be liable to the other for punitive damages;
- (b) Developer's maximum aggregate liability to Owner exceed the amount of the Deposits actually paid by Owner to Developer under this Agreement;
- (c) HH Water's maximum aggregate liability to Owner exceed the amount of the Line Construction Costs;
- (d) Owner's maximum aggregate liability to Developer exceed the Sewer Capacity Purchase Price; and
- (e) Owner's maximum aggregate liability to HH Water exceed the Line Construction Costs.

SECTION 10 TERMINATION

Section 10.1 Termination Events. This Agreement may be terminated as follows:

(a) at any time before Closing, by any Party, by written notice to the other Parties, in the event that any Law of any Governmental Authority having jurisdiction restrains, permanently enjoins or otherwise prohibits the consummation of the transactions contemplated by this Agreement;

(b) at any time before Closing, by any Party, by written notice to the other Parties, if (i) any such other Party has materially breached any of its representations, warranties, covenants or agreements under this Agreement and such breach would or does result in the failure to fulfill any condition expressly set forth in Section 7 or Section 8, as applicable, and (ii) such material breach is not able to be cured by the Closing Date;

(c) by Owner, if Developer and HH Water, as applicable, do not obtain on or prior to December 31, 2025 the Governmental Authority authorizations and approvals which are required in order to construct the Plant Expansion;

(d) by mutual written agreement of the Parties; and

(e) by any Party, if the Closing does not occur on or before the Closing Deadline.

Notwithstanding the foregoing subsections (a) through (e), no Party shall be entitled to terminate this Agreement under such subsections (a) through (e) if such Party is then in material breach of any of its representations, warranties or covenants set forth in this Agreement, and such breach would or does, assuming Closing were to occur on the proposed date of termination, result in the failure to fulfill any condition expressly set forth in Section 7 or Section 8, as applicable.

Section 10.2 Effect of Termination. If this Agreement is validly terminated pursuant to Section 10.1 this Agreement shall become void and of no further force or effect and no Party to this Agreement shall have any further liability under this Agreement, except that (a) Section 11.2 and Section 12 will survive any such termination, (b) such termination shall not relieve any Party to this Agreement of liability for such Party's breach of this Agreement prior to the termination of this Agreement, in which case the non-breaching Party or Parties shall have all of the applicable rights or remedies available under Section 9 of this Agreement, and (c) if the termination occurs for any reason other than a Developer/HH Water Event of Default, Developer shall, without limiting any other remedies available to Developer under this Agreement, retain the Deposit(s) (as provided in Section 3.1(c) of this Agreement), and to the extent that Line Construction Costs exceed the amount of the Deposit(s), Owner shall pay such excess to HH Water upon demand by HH Water.

SECTION 11 CERTAIN ADDITIONAL COVENANTS AND AGREEMENTS

Section 11.1 Further Assurances. Upon the reasonable request of any Party at any time and from time to time, each of the Parties will forthwith, and will cause their affiliates controlled by them to forthwith, execute and deliver such further instruments of assignment, transfer,

conveyance, endorsement, direction or authorization and do all things necessary or proper, as the requesting party or his or its counsel may reasonably request, in order to carry out the purpose of this Agreement. Each Party will cooperate fully with the other Parties to this Agreement and use its reasonable, good faith efforts to perform its obligations under this Agreement and to do, or cause to be done, all commercially reasonable things necessary, proper or advisable to satisfy all conditions to its respective obligations under this Agreement.

Section 11.2 Confidentiality. Each Party agrees that it shall not, and shall cause its respective affiliates, representatives and professional advisors not to, disclose at any time any of the terms of this Agreement or the identity of the Parties to this Agreement without the prior written consent of the other Parties, unless and except to the extent that such disclosure is required (a) by a Party to a Governmental Authority in connection with the transactions, consents and approvals contemplated by this Agreement, (b) by a Party to its professional advisors (including, attorneys, accountants, and engineers) for the purposes of completing the transactions contemplated by this Agreement, provided that such professional advisors are advised by such Party to comply with the provisions of this Section 11.2, (c) to enforce the terms of this Agreement, or (d) by any subpoena or other legal process, in which event the recipient of such subpoena (i) shall, to the extent permitted by applicable Law, promptly give to the other Parties written notice of such subpoena or other legal process, (ii) if desired by the other Parties hereto, use its reasonable best efforts in seeking appropriate protective orders or other reasonable assurance that confidential treatment shall be afforded such information, at the sole cost and expense of the Party or Parties desiring such treatment, and (iii) only disclose that portion of such information which it is advised by counsel in writing that it is legally required to disclose.

Section 11.3 Notification. Each Party shall give prompt written notice to the other Parties, or otherwise keep the other reasonably apprised, of the occurrence or nonoccurrence of any event to the extent such occurrence or nonoccurrence could reasonably be expected to cause any of the conditions precedent set forth in Section 7 or Section 8 not to be satisfied.

SECTION 12 MISCELLANEOUS PROVISIONS

Section 12.1 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the fifth day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 12.1):

If directed to Owner:

Cashiers Marketplace, LLC

[REDACTED]

[REDACTED]

[REDACTED]

If directed to Developer or HH Water, as applicable:

[REDACTED]

Each Party may by like notice designate a new address for giving notice to such Party.

Section 12.2 Captions. The captions and other headings contained in this Agreement as to the contents of particular articles, sections, paragraphs or other subdivisions contained herein are inserted for convenience of reference only and are in no way to be construed as part of this Agreement or as limitations on the scope of the particular articles, sections, paragraphs or other subdivisions to which they refer and shall not affect the interpretation or meaning of this Agreement.

Section 12.3 Incorporation of Schedules and Exhibits. This Agreement shall be deemed to have incorporated by reference all of the schedules and exhibits referred to herein to the same extent as if such schedules and exhibits were fully set forth herein. Each reference herein to “the Agreement” or “this Agreement” shall be construed to include each such schedule and exhibit.

Section 12.4 Entire Agreement; Amendment and Waiver. This Agreement and the schedules and exhibits attached hereto, along with the Security Instrument, represent the entire understanding and agreement between the Parties with respect to the subject matter hereof and shall supersede any prior agreements and understanding between the Parties with respect to that subject matter. This Agreement may not be amended or modified except by a written instrument executed by all Parties. No term of this Agreement may be waived except by a written instrument executed by the Party against whom the waiver is sought to be enforced. The Parties intend for this Agreement to be a contract under seal.

Section 12.5 Successors and Assigns; No Third Party Beneficiaries. This Agreement and the rights, benefits and obligations set forth in this Agreement may not be assigned by any Party except with the prior written consent of the other Parties; provided, that Owner shall be entitled to assign this Agreement to an Affiliate of Owner in connection with the Development if Owner provides prior written notice to Developer and HH Water of such assignment. No such assignment by Owner to an Affiliate shall release Owner from the Obligations. This Agreement and all of the terms, covenants and conditions shall be binding upon and inure to the benefit of and be enforceable by the Parties and their respective heirs, legal representatives, successors and permitted assigns. Nothing expressed or referred to in this Agreement will be construed to give any person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement. Except as otherwise expressly provided in the immediately preceding sentence, this Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties and their respective heirs, legal representatives, successors and permitted assigns.

Section 12.6 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of North Carolina without giving effect to any choice or conflict of law provision or rule.

Section 12.7 WAIVER OF JURY TRIAL; JURISDICTION; VENUE. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE SECURITY INSTRUMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY. EACH PARTY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING IN THE STATE OF NORTH CAROLINA OVER ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION THAT SUCH PARTY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION, OR PROCEEDING BROUGHT IN ANY SUCH COURT AND ANY CLAIM THAT ANY SUCH SUIT, ACTION, OR PROCEEDING

BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

Section 12.8 Counterparts. This Agreement may be executed simultaneously and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. To facilitate the execution of this Agreement, the Parties may execute and exchange by facsimile or by Adobe Acrobat counterparts of the signature pages to this Agreement, and such execution shall be deemed an original by the Parties.

Section 12.9 Severability; Waiver. If any provision, clause or part of this Agreement or the application thereof under certain circumstances, is determined to be invalid, the remainder of this Agreement, and the application of each provision, clause or part under other circumstances, shall not be affected thereby. The failure of any Party to insist, in any one or more instances, upon performance of any term, covenant or condition of this Agreement, shall not be construed as a waiver or relinquishment of any rights granted hereunder or of the future performance of any such term, covenant or condition.

Section 12.10 Expenses. The costs and expenses (including legal and accounting fees and expenses) of each Party incurred in connection with the preparation of this Agreement, and consummation of the transactions contemplated by this Agreement shall be borne by such Party.

Section 12.11 Attorneys' Fees; Expenses. If at any time, any Party institutes any action against another Party with respect to this Agreement, the Parties agree that the prevailing Party in any such lawsuit shall be entitled to, and the non-prevailing Party shall pay to the prevailing Party, all reasonable attorneys' fees and expenses paid or incurred by the prevailing Party in that legal action.

Section 12.12 Interpretation. The Parties have participated in the drafting of this Agreement with the assistance of experienced counsel. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement.

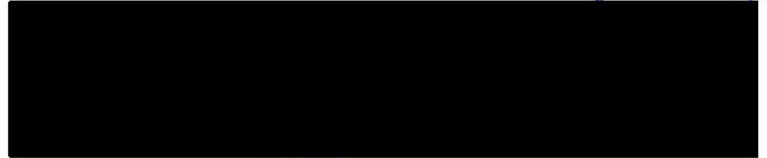
Section 12.13 Time is of the Essence. Time is of the essence in connection with this Agreement.

[Signatures on the following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and sealed by their duly authorized representatives, as of the date first above written.

OWNER:

CASHIERS MARKETPLACE, LLC



DEVELOPER:

HIGH HAMPTON LAND, LLC

By: _____

Name: _____

Title: _____

HH WATER:

HIGH HAMPTON WATER, LLC

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and sealed by their duly authorized representatives, as of the date first above written.

OWNER:

CASHIERS MARKETPLACE, LLC

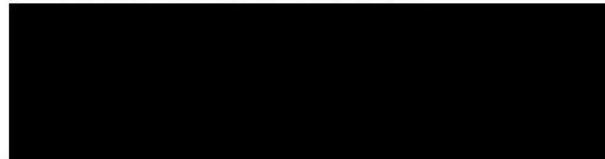
By: _____

Name: _____

Title: _____

DEVELOPER:

HIGH HAMPTON LAND, LLC



HH WATER:

HIGH HAMPTON WATER, LLC



EXHIBIT A

Real Estate

BEING that parcel of land containing 30.81 acres, more or less, as shown on the survey by L. Stephen Foster & Associates, P.A., entitled "Survey for Cashiers Marketplace, LLC", dated December 11, 2021, drawing number F143-74, which is recorded at Plat Cabinet 25, Slide 234 of the Jackson County Registry (the "Plat").

EXHIBIT B

Defined Terms

“Affiliate” means, with respect to a Party, any other entity directly or indirectly controlling, controlled by, or under common control with such Party. For purposes of this definition, the terms “controls”, “is controlled by” or “is under common control with” shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management policies of an entity.

“Business Day” means any day on which banks in Cashiers, North Carolina are open for business.

“Environmental Law(s)” shall mean any present and future federal, state or local statute, law (including common law), ordinance, code, rule, regulation, guideline, order or decree regulating, relating to, or imposing liability or standards of conduct concerning (i) any Hazardous Substance, (ii) the protection of human health or the environment or (iii) any Wetlands, each as now or at any time hereafter in effect. The term “Environmental Law” includes, but is not limited to, the following statutes, as amended from time to time, any successor thereto, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations, guidelines and the like addressing similar issues: (i) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601, et seq. and the regulations promulgated thereunder, (ii) the Clean Air Act, 42 U.S.C. 7401, et seq. and the regulations promulgated thereunder, (iii) the Clean Water Act, 33 U.S.C. 1251, et seq. and regulations promulgated thereunder, (iv) the Resource, Conservation and Recovery Act, 42 U.S.C. 6901, et seq. and regulations promulgated thereunder, (v) the Oil Pollution Act of 1990, 33 U.S.C. 2701, et seq. and regulations promulgated thereunder, and (vi) the Hazardous Materials Transportation Act, 49 U.S.C. 1801, et seq. and regulations promulgated thereunder.

“Governmental Authority” shall mean any court, board, agency, commission, office or other authority of any nature whatsoever for any governmental unit (foreign, federal, state, county, district, municipal, city or otherwise) whether now or hereafter in existence.

“Hazardous Substance(s)” shall mean any and all substances (whether solid, liquid or gas) defined, listed, or otherwise classified as "pollutants," "hazardous wastes," "hazardous substances," "hazardous materials," "extremely hazardous wastes," "toxic substances," "oil," "waste oil," and "used oil" or words of similar meaning or regulatory effect under any present or future Environmental Law or that may have a negative impact on human health, property value or the environment, including but not limited to mold, petroleum and petroleum products, asbestos and asbestos containing materials, polychlorinated biphenyls, lead, lead based paints, radon, radioactive materials, flammables and explosives.

“Improvements” shall mean all commercial and residential buildings and structures located on the Real Estate, together with (i) any paved driveways and parking facilities and sidewalks to be located on the Real Estate, (ii) any mechanical, electrical, plumbing, heating,

ventilating, air conditioning and life safety equipment and systems; appliances, elevators and escalators and other similar systems and items of equipment installed in or upon, and affixed to such improvements, whether or not the same may be movable and whether or not removal thereof would cause damage to such improvements, and (iii) any surrounding street improvements.

“Law” means any law, statute, code, regulation, ordinance, rule, order or governmental requirement enacted, promulgated, entered into, agreed, imposed or enforced by any Governmental Authority.

“Obligations” means all obligations and liabilities of Owner under this Agreement and the Security Instrument.

“Security Instrument” shall mean that certain Deed of Trust, Security Agreement and Assignment of Leases and Fixture Filing of even date herewith, executed by Owner to Developer in connection with this Agreement.

“Substantial Completion” means, with respect to the Developer Utility Work, the earlier to occur of (a) the engineering firm which has designed the Developer Utility Work has issued a letter or certificate of substantial completion stating that such work has achieved substantial completion in accordance with the Line Specifications, and (b) all necessary licenses and permits have been issued in order for the Lines to become operational.

“Wetland(s)” shall have the meaning ascribed in 33 C.F.R. §328.3, as hereinafter amended, or defined by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any such Wetlands, as now or at any time hereafter in effect.