

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

WHEREAS, Align Development LLC, [REDACTED], [REDACTED] and [REDACTED] (collectively "Claimants") may have claims against the Village of Pinehurst and Village of Pinehurst Village Council (together hereinafter referred to as "Village of Pinehurst") for discrimination in land-use decisions or in the permitting of development based on the fact that a proposed development contains affordable housing units for individuals with incomes below eighty percent of the area median income; discrimination in land-use decisions or in the permitting of a proposed development based on race; otherwise making unavailable or denying housing because of race; statements indicating any preference, limitation, or discrimination based on the fact that a proposed development contains affordable housing units for individuals with incomes below eighty percent of the area median income, by refusing to approve, blocking or otherwise interfering with the development of an affordable housing apartment complex (the "Claims");

WHEREAS, the Village of Pinehurst denies any liability for the aforementioned claims.

WHEREAS, the purpose of this agreement is to settle and compromise the dispute between the parties;

WHEREAS, it is understood and agreed that this is a compromise settlement agreement and full release in satisfaction of the claims and demands and that the furnishing of the consideration for this agreement shall not be deemed or construed as an admission of liability.

WHEREAS, the parties have agreed to settle the Claims through this Settlement Agreement and Release of Claims;

In consideration of the rights and benefits conferred on each party, the parties have agreed to enter into the following SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS (the "Agreement");

1. EFFECTIVE DATE: the parties agree that this Agreement is effective upon the payment of the Monetary Payment set forth below;

2. MONETARY PAYMENT: The Village of Pinehurst shall pay the lump sum payment of \$90,000 in the form of a check made payable to "Relman, Dane & Colfax PLLC" within 14 days of the execution of the Agreement. The payment shall be sent to Reed Colfax, Relman, Dane & Colfax, 1225 Nineteenth Street, NW, #600, Washington, D.C. 20036. This payment is inclusive of all monetary payments to be made by Village of Pinehurst to all Claimants, including, but not limited to, attorneys' fees and costs.

3. OTHER RELIEF: The Village of Pinehurst agrees to the following:

a. The Village of Pinehurst agrees to comply with all applicable fair housing laws, including the federal Fair Housing Act or the North Carolina State Fair Housing Act;

b. The Village of Pinehurst has agreed to permit the construction of Pinehurst Senior Apartments, a 56-unit senior affordable rental housing community on a parcel of property currently within the Extra Territorial Jurisdiction of Village of Pinehurst, North Carolina and being further defined as a portion of Moore County LRK # 00022010 in accordance with Village of Pinehurst Ordinance #14-09. The Village of Pinehurst shall not obstruct or delay any aspect of construction or completion of Pinehurst Senior Apartments including with respect to the timing, level, and issuance, as applicable, of inspections, approvals, occupancy permits, and other similar matters. If permits or approvals are required from Moore County, the State of North Carolina, or any other entity for the construction or completion of Pinehurst Senior Apartments, the Village of Pinehurst shall work with Align Development LLC and Julie Sutton to obtain as promptly as possible, in the normal and ordinary course of business, the necessary permits and approvals. If modifications, changes, or clarifications to the plans for, or construction of, Pinehurst Senior Apartments become necessary during the pendency of its construction, the Village of Pinehurst shall work cooperatively and in good faith with Align Development LLC and Julie Sutton to handle these matters reasonably and in the ordinary course of permitting and construction. Nothing in this paragraph shall be construed to prevent the Village of Pinehurst from applying its zoning requirements in a non-discriminatory manner and from ensuring that Pinehurst Senior Apartments complies with valid requirements of applicable law.

4. RELEASE: It is understood and agreed that the following is a full, complete, and final general release of any and all claims described as aforesaid, and each party agrees that it shall apply to all unknown, unanticipated, unsuspected, and undisclosed claims, demands, liabilities, actions or causes of action, in law, equity or otherwise, as well as those which are now known, anticipated, suspected or disclosed.

a. General Mutual Release: The parties hereby forever generally and completely release and discharge the opposing parties and their servants, agents, directors, officers, employees and all others, of and from any and all claims and demands of any kind and nature, in law, equity or otherwise, known or unknown, suspected or unsuspected, disclosed and undisclosed, and in particular of and from all claims, demands of every kind and nature, known or unknown, suspected or unsuspected, disclosed and undisclosed, for damages, actual and consequential, past, present and future, arising out of or in any way related to their respective obligations, activities, dealings with one another at any time prior to the date hereof, including (without limitation) all such claims and demands arising out of or in any way related to the alleged but denied claims and causes of action for otherwise making unavailable or denying housing because of race and/or affordable housing characteristic by refusing to approve, blocking or interfering with the development of Pinehurst Senior Apartments.

5. WARRANTIES AND REPRESENTATIONS: Claimants warrant and represent that there are no liens or claims of liens or assignments in law or equity or otherwise of or against any of the claims or causes of action released herein and, further, that each party is fully entitled and duly authorized to give this complete and final general release and discharge.

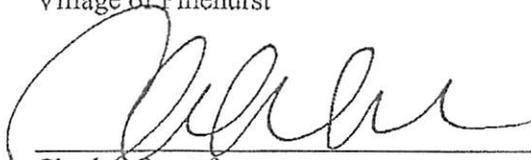
6. COMPLETE AGREEMENT: This agreement contains the entire agreement between the parties hereto and constitutes the complete, final, and exclusive embodiment of their agreement with respect to the subject matter hereof. The terms of the Agreement are contractual and not a mere recital. The Agreement is executed by the parties without reliance on any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein, and each party has carefully read this Agreement, has been advised of its meaning and consequences by his or her respective attorney, and signs the same of his, her or its free will.

7. COUNTERPARTS: This Agreement may be signed in counter-parts.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Mayor Nancy Roy Fiorillo for  
Village of Pinhurst

Dated: 5-28-14

  
\_\_\_\_\_  
Charles Grant for  
Align Development LLC

Dated: \_\_\_\_\_

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Dated: \_\_\_\_\_

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Dated: \_\_\_\_\_

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5. WARRANTIES AND REPRESENTATIONS: Claimants warrant and represent that there are no liens or claims of liens or assignments in law or equity or otherwise of or against any of the claims or causes of action released herein and, further, that each party is fully entitled and duly authorized to give this complete and final general release and discharge.

6. COMPLETE AGREEMENT: This agreement contains the entire agreement between the parties hereto and constitutes the complete, final, and exclusive embodiment of their agreement with respect to the subject matter hereof. The terms of the Agreement are contractual and not a mere recital. The Agreement is executed by the parties without reliance on any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein, and each party has carefully read this Agreement, has been advised of its meaning and consequences by his or her respective attorney, and signs the same of his, her or its free will.

7. COUNTERPARTS: This Agreement may be signed in counter-parts.

Dated: 6-4-14

Nancy Roy Ebrillo  
Mayor Nancy Roy Ebrillo for  
Village of Pinehurst

Dated: \_\_\_\_\_

\_\_\_\_\_  
Charles Grant for  
Align Development LLC

Dated: \_\_\_\_\_

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Dated: \_\_\_\_\_

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Dated: \_\_\_\_\_

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