



# Huntsville, Alabama

305 Fountain Circle  
Huntsville, AL 35801

## Cover Memo

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**Meeting Type:** City Council Regular Meeting **Meeting Date:** 4/23/2026

**File ID:** TMP-6854

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**Department:** Community Development

**Subject:**

**Type of Action:** Approval/Action

Resolution authorizing the Mayor to enter into an Agreement between the City of Huntsville and New Stone Commons LLC for the development of New Stone Commons with HOME Investment Partnerships Program-American Rescue Plan (HOME-ARP) funds.

Resolution No.

**Finance Information:**

**Account Number:** 515520

**City Cost Amount:** \$0

**Total Cost:** \$0

**Special Circumstances:**

**Grant Funded:** \$2,303,834.90

**Grant Title - CFDA or granting Agency:** HUD - HOME - American Rescue Plan

**Resolution #:** N/A

**Location: (list below)**

**Address:** 3450 Venona Avenue NW, Huntsville, Alabama 35810

**District:** District 1  District 2  District 3  District 4  District 5

**Additional Comments:** Resolution authorizing the Mayor to enter into an Agreement between the City of Huntsville and New Stone Commons LLC for the development of New Stone Commons, a 42-unit affordable multi-family apartment property, with HOME Investment Partnerships Program-American Rescue Plan (HOME-ARP) funds in the amount of \$2,303,834.90.

**RESOLUTION NO. 26 - \_\_\_\_\_**

**WHEREAS**, the City of Huntsville received a one-time allocation from the United States Department of Housing and Urban Development provided by section 3205 of the American Rescue Plan Act of 2021 (“Act”) through the HOME Investment Partnerships Program (“HOME-ARP”) to provide housing for eligible qualifying populations and low-income households as defined in the Act; and

**WHEREAS**, the City of Huntsville committed \$2,303,834.90 in HOME-ARP funds to New Stone Commons LLC, a limited liability company whose members are Neighborhood Concepts, Inc. and New Futures, Inc., for the development of New Stone Commons to be located at 3450 Venona Avenue NW, Huntsville, Alabama contingent upon the following: a) receipt by New Stone Commons LLC of an allocation of HOME-ARP funds from the Alabama Housing Finance Authority; and b) the availability of City of Huntsville HOME-ARP funds; and c) approval by the Huntsville City Council of an Agreement between the City of Huntsville, Alabama and New Stone Commons LLC for HOME-ARP funds; and d) all necessary project eligibility and environmental review criteria required by the U.S. Department of Housing and Urban Development have been satisfied; and

**WHEREAS**, New Stone Commons LLC has secured the required allocation of HOME-ARP funds from the Alabama Housing Finance Authority; and

**WHEREAS**, the City of Huntsville has the availability of HOME-ARP funds from the U.S. Department of Housing and Urban Development; and

**WHEREAS**, all necessary project eligibility and environmental review criteria required by the U.S. Department of Housing and Urban Development have been satisfied.

**NOW, THEREFORE BE IT RESOLVED**, by the City Council of the City of Huntsville, Alabama, hereby approves and authorizes the agreement between the City of Huntsville and New Stone Commons LLC and that the Mayor of the City of Huntsville is hereby authorized, requested and directed to enter into the Agreement between the City of Huntsville, Alabama and New Stone Commons LLC, said Agreement being substantially similar in words and figures to that document identified as “Agreement between the City of Huntsville, Alabama and New Stone Commons LLC for HOME Investment Partnerships-American Rescue Plan Program Funds,” consisting of seventy-three (73) pages, including exhibit(s) A, B, C, D, E, F, G, and H, with the signature of the Council President or President Pro Tem, and the date April 23, 2026 appearing on the margin of the first page, a copy of said document being permanently kept on file in the Office of the City Clerk of the City of Huntsville.

**RESOLUTION NO. 26 - \_\_\_\_\_ (Cont'd)**

**ADOPTED** this the 23<sup>rd</sup> day of April, 2026.

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President of the City Council of  
the City of Huntsville, Alabama

**APPROVED** this the 23<sup>rd</sup> day of April, 2026.

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Mayor of the City of Huntsville,  
Alabama

STATE OF ALABAMA )

COUNTY OF MADISON )

**AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA  
AND NEW STONE COMMONS LLC  
FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN  
PROGRAM FUNDS**

**THIS AGREEMENT** (“Agreement”) entered into this 23<sup>rd</sup> day of April, 2026, by and between the City of Huntsville, Alabama, a municipal corporation (“City”) and New Stone Commons LLC (“Owner”) to include any and all other parties (public and private) associated with the project described herein; and

**WHEREAS**, the City received a one-time allocation from the U. S. Department of Housing and Urban Development (“HUD”) appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) for the HOME Investment Partnerships Program (“HOME-ARP”); and

**WHEREAS**, The City has received all approvals to utilize HOME-ARP funds to assist the Owner in the construction of an affordable multi-family apartment community, known as New Stone Commons;

**NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

**PART I**

**1. PURPOSE AND SCOPE OF SERVICES**

- A. The City agrees to loan the Owner Two Million Three Hundred Three Thousand Eight Hundred Thirty Four Dollars and Ninety Cents (\$2,303,834.90) of HOME-ARP funds for the construction of New Stone Commons, a 42-unit affordable multi-family apartment property identified in Exhibit A located at 3450 Venona Avenue NW, Huntsville, Alabama (“Project”). The Project Summary is outlined in Exhibit D.
- B. The Owner shall cause all forty-two (42) units (“HOME-ARP Assisted Units”) to be designated and restricted in accordance with 24 CFR Part 92 (“HOME Regulations”) and HOME-ARP requirements as outlined in HUD’s CPD Notice 21-10 “Requirements for the Use of Funds in the HOME-ARP Program” (“HOME-ARP Requirements”) and shall be fixed units (not floating units).

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**President of the City Council of the City of  
Huntsville, Alabama  
Date: April 23, 2026**

- C. The Owner shall cause the Project to comply with the HOME Regulations and HOME-ARP Requirements for a minimum period of fifteen (15) years from the time when the HOME-ARP Assisted Units are first occupied by eligible occupants, herein referred to as the “Compliance Period”.

From the date of the commencement of the Compliance Period until its expiration, at a minimum, thirty (30) of the HOME-ARP Assisted Units shall be occupied by a qualifying population as defined in the HOME-ARP Requirements. The remaining twelve (12) HOME-ARP Assisted Units, if not occupied by a qualifying population, must be restricted to low-income households as defined in 24 CFR 92.2. Upon commencement of the Compliance Period and annually thereafter until its expiration, the Owner shall provide to the City’s Community Development Department a current rent roll including information on occupancy and rents of HOME-ARP Assisted Units to demonstrate compliance with HOME-ARP Requirements. In accordance with HOME-Regulations and HOME-ARP Requirements, rental housing assisted with HOME-ARP funds shall have a deed restriction placed upon the Project requiring adherence to the occupancy and rent restrictions and with the effective term of said instrument fifteen (15) years. The Occupancy Restrictions and Rent Restrictions are outlined in Exhibit C.

- D. Development of any architectural designs for the Project shall be the responsibility of the Owner.
- E. The City shall provide technical assistance to the Owner concerning compliance with the terms of this Agreement. The Owner shall be responsible for all sub-contractual arrangements. All procedures shall be carried out in accordance with all federal, state and local standards, and shall be monitored by the City.
- F. The Project shall be completed in compliance with all applicable federal, state and local building codes, ordinances and zoning requirements; and upon completion, shall be operated in compliance with all applicable federal, state and local codes, ordinances, and zoning requirements. The Owner agrees the facilities shall be used solely for the purpose of providing affordable rental housing as detailed in Part I.1.A., B. and C. of this Agreement.
- G. Owner and City shall enter into that certain Declaration of Land Use Restrictive Covenants for City of Huntsville, Alabama HOME Investment Partnerships-American Rescue Plan Program dated April 23, 2026 (“Declaration”), a copy of which is attached here to as Exhibit G and incorporated herein. Said Declaration includes adherence to occupancy and rent restrictions that shall terminate upon expiration of the Compliance Period.
- H. The City shall subordinate its mortgage on the Project to United Bank’s construction mortgage in a principal amount not to exceed Eleven Million Two Hundred Thousand and NO/Dollars (\$11,200,000.00) and a future Alabama Housing Finance Authority’s (“AHFA”) permanent mortgage in a principal amount not to exceed Thirteen Million Five Hundred Forty Seven Thousand Five Hundred Eighty Three and NO/Dollars

(\$13,547,583.00). The Subordination and Standstill Agreement with United Bank is outlined in Exhibit H, which in the event of any conflict, will control.

## **2. TIME OF PERFORMANCE**

Construction of the Project must commence no later than twelve (12) months from the execution of this Agreement and must be completed within four (4) years. HOME-Assisted Units must be occupied by HOME-ARP eligible qualifying households or low-income households no later than six (6) months following the final draw of HOME-ARP funds from the City. Owner must repay any HOME-ARP funds invested in units that are not rented to eligible qualifying or low-income households within 12 months of Project completion. The Owner shall provide a detailed construction schedule to the City prior to the Owner issuing the Notice to Proceed to the contractor and shall notify the City in writing of any deviations in excess of thirty (30) days.

## **3. PROJECT BUDGET**

- A. The Total Development Budget for the Project is estimated to be \$15,939,429 as outlined in Exhibit B.
- B. Eligible costs associated with this Agreement will include land acquisition, hard construction costs, architectural design, engineering, legal and appraisal fees, environmental review, construction management, and oversight fees. Pre-development expenses must be incurred no more than twenty four (24) months prior to execution of this Agreement.

## **4. LOAN TERMS**

The City shall loan, and the Owner agrees to borrow and accept in full Two Million Three Hundred Three Thousand Eight Hundred Thirty Four Dollars and Ninety Cents (\$2,303,834.90) (the "Loan") under the following terms.

The entire principal amount and accrued interest on the Loan shall be fully forgiven if the Owner maintains continuous compliance with all HOME-ARP Requirements throughout the full Compliance Period. If the Owner fails, within the first ten (10) years of the Compliance Period, to comply with any federal, state or local HOME-ARP Requirements, giving consideration to any grace or cure period that may be expressly provided for therein, then the entire principal amount and accrued interest shall become due and payable to the City. If noncompliance occurs in years eleven (11) through fifteen (15), giving consideration to any grace or cure period that may be expressly provided for therein, the repayment amount shall be reduced by twenty (20) percent for each year beyond the initial 10 years during which time the Project was complaint.

If the Owner sells or transfers, either voluntarily or involuntarily, the Project during the Compliance Period, the entire principal amount and accrued interest shall become due and payable

to the City, unless the City agrees to the sale or transfer in writing, the successor agrees in writing to assume all obligations of the HOME-ARP Program, and the Project remains in compliance with all HOME-ARP Requirements for the duration of the Compliance Period.

Owner has on the same as the date hereof, signed a Promissory Note as outlined in Exhibit E, Mortgage and Security Agreement as outlined in Exhibit F and other Loan Documents evidencing the Loan and the Owner's promise to pay and other related obligations.

## **5. COMPENSATION AND METHOD OF PAYMENT**

- A. Based upon the approved project budget, funds provided to the Owner shall be on a reimbursement basis and require approved documentation such as paid invoices, cancelled checks and/or bank statements. Payments will be made within thirty (30) days for eligible expenses actually incurred by the Owner and not to exceed actual cash requirements. The first request for payment may be made upon execution of this Agreement. Subsequent payment requests must be made no less frequently than every ninety (90) days with the final request for payment occurring within six (6) months of initial occupancy of the HOME-ARP Assisted Units.
- B. By entering into this Agreement, the City confirms that the Project covered by this Agreement has been approved for HUD funding and the City has received the Release of Funds from HUD. The funds provided by the City are HUD HOME Investment Partnerships American Rescue Plan funds and HUD funds shall be drawn from the U.S. Treasury by the City through the Integrated Disbursement and Information System (IDIS). The City shall retain exclusive direct access rights to the IDIS system. All access to the IDIS system will be by duly authorized persons designated by the City as approved by HUD. Any termination, reduction or delay of receipt of HOME-ARP funds by the City shall, at the option of the City, result in the termination, reduction or delay of HOME-ARP funds to the Owner.

## **6. TERMS AND CONDITIONS**

- A. The Owner agrees to comply with all applicable federal, state and local laws and regulations governing the HOME-ARP Program provided under this Agreement and as described in the HOME Regulations and HOME-ARP Requirements.
- B. Until the expiration of the Compliance Period, the Owner shall, in a manner satisfactory to the City, fulfill its stated purpose as outlined in Part I. Paragraph 1. A., B. and C. of this Agreement. HOME-ARP compliance requirements will expire fifteen (15) years after the date that the final HOME-ARP Assisted Unit is occupied by a qualifying or low-income household, unless legal action causes it to expire for cause prior to that date.
- C. The Owner agrees to use the Continuum of Care Coordinated Entry with additional referrals from outside organizations or project-specific waiting lists consistent with

HOME-ARP Requirements. The City did not give a preference to one or more qualifying populations in the City's HOME-ARP Funding Plan.

- D. The City does not permit the Owner to execute a sublease or master lease with a nonprofit organization for HOME-ARP units.
- E. The City shall have no responsibility or liability for the maintenance, operation or program funding for the Owner.
- F. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee, or partnership or joint venturers between the parties. The Owner shall at all times remain an independent contractor with respect to the services to be performed under this Agreement. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Worker's Compensation Insurance as the Owner is an independent contractor.
- G. During the period of this Agreement, effective as of the start of the Project, the Owner shall, at its own expense, procure and maintain all-risk property damage and liability insurance. For the term of this Agreement, the Owner shall list the City as an additional insured and a loss payee on said property insurance. Property damage coverage shall not be less than the current market value of the property. Liability coverage shall include contractual insurance as well as comprehensive form insurance and shall provide for coverage of not less than \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and \$1,000,000 property damage and shall name the City as an additional insured. Proof of insurance shall be shown to the City by furnishing a copy of the certificate of insurance issued by an insurance company licensed to do business in the State of Alabama. The certificate of insurance shall include a statement guaranteeing that the insurance company shall notify the City within thirty (30) days of any lapse of said policy.
- H. The Owner shall not sell, assign or transfer, voluntarily or involuntarily, any legal or equitable interest in the Project at any time prior to the expiration of the Compliance Period without the written concurrence of the City. If the Owner does transfer any legal or equitable interest in the Project, voluntarily or involuntarily, without the written concurrence of the City, then Owner shall immediately pay to the City the outstanding balance of the Loan and accrued interest then due and the minimum Compliance Period of fifteen (15) years shall continue to apply in accordance with HOME-ARP Requirements.
- I. In the event the Owner discontinues the provision of affordable rental housing funded under this Agreement prior to the expiration of the Compliance Period, then the Owner shall immediately pay to the City the outstanding balance of the Loan and accrued interest then due.
- J. Except as provided herein, the terms of this Agreement shall be effective from the date of its execution through and including the expiration of the Compliance Period.
- K. All housing assisted with HOME-ARP funds shall be maintained in compliance with the property standards defined in 24 CFR 92.251(a) and any locally enforceable housing standards, laws and codes.

- L. The Owner shall maintain records indicating that an annual inspection of the rental housing was performed in compliance with the property standards defined in 24 CFR 92.251(a) and any locally enforceable housing standards, laws and codes.
- M. All projects shall adhere to the project requirements found in Subpart F of 24 CFR Part 92, as applicable and HOME-ARP Requirements.
- N. The Owner shall have a Tenant Participation Plan, approved by the City, in accordance with 24 CFR 92.303.

## **PART II**

### **1. PERFORMANCE AND REPORTING**

- A. The Owner shall direct all notices, reports, insurance policies and other communications related to or required by this Agreement to City of Huntsville, Community Development Department, P.O. Box 308, Huntsville, Alabama 35804.
- B. Until the completion of the Project and expenditure of all HOME funds disbursed under this Agreement, the Owner shall submit quarterly reports describing the Project's progress. This report shall be due within fifteen (15) days after the end of each quarter.
- C. No later than six (6) months after Project completion, the Owner shall provide the City with an independent third-party certification of total project costs.
- D. The Owner shall maintain records of the determination of qualifying population and low-income household's rental contribution at initial occupancy for each HOME-ARP Assisted Unit. The Owner shall reexamine qualifying household's income to determine qualifying household's rental contribution at least annually and in compliance with the HOME-ARP Requirements or as otherwise required by HUD.
- E. The Owner shall submit annual reports (July 1 through June 30) by the first day of August of each Agreement year through the end of the Compliance Period. The annual reports shall include a rent roll dated as of June 30<sup>th</sup> which identifies the HOME-ARP Assisted Units, household size and household income, household's rental contribution, and a narrative of Project highlights.
- F. During the Compliance Period, the Owner shall provide the City with annual audited financial statements for the Project.

### **2. OTHER REPORTS, AUDITS & INSPECTIONS**

- A. During the term of this Agreement and the Compliance Period, the Owner shall within thirty (30) business days of request make available to the City, HUD and/or the Comptroller General of the United States or their duly authorized representatives, all of the Owner's records in order to permit examination of any

audits, invoices, materials, payrolls, personnel records, conditions of employment and other data relating to all matters covered by this Agreement.

- B. The Owner shall retain financial records, supporting documentation, statistical records and all other records pertaining to expenditures under this Agreement for a period of five (5) years after the expiration of the Compliance Period.

### **3. ADMINISTRATIVE REQUIREMENTS**

- A. The Owner shall comply with the requirements and maintain Accounting Standards in accordance with the requirements 2 CFR PART 200 – “UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS”.
- B. The Owner shall maintain all records that are pertinent to the activities to be funded under this Agreement at the Owner’s principal physical business address, including but not limited to:
  - 1) Records providing a full description of each activity undertaken;
  - 2) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with HOME-ARP assistance;
  - 3) Records documenting compliance with the fair housing and equal opportunity components of the HOME-ARP Program; and
  - 4) Financial records as required by 2 CFR PART 200, as appropriate.

The Owner shall maintain client data demonstrating client eligibility for services provided as outlined in the HOME-ARP Requirements. Such information shall be made available to City monitors or their designees for review upon request.

- C. The Owner agrees to maintain documentation demonstrating the activities carried out with HOME-ARP funds provided under this Agreement meet the purpose and requirements of the HOME-ARP Requirements.
- D. The City and Owner may amend this Agreement at any time provided that such amendments are executed in writing and signed by a duly authorized representative of both parties. Such amendments shall not invalidate this Agreement, nor relieve or release the City or Owner from its obligations under this Agreement.

### **4. NON-DISCRIMINATION and AFFIRMATIVE MARKETING**

No person shall be excluded from or denied the benefits of the Owner's service on the basis of age, race, color, religion, creed, national origin, sex, marital status, disability, or other legally protected status, if any. All current and prospective Project beneficiaries must, however, be persons in need of the programs provided by the Owner. The Owner shall comply with the affirmative marketing requirements set forth in 24 CFR 92.351.

**5. SECTION 504 COMPLIANCE**

No otherwise qualified individual with handicaps shall, solely by reason of his or her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. This includes, but is not limited to, programs and/or activities related to housing, employment, and the delivery of services.

**6. EQUAL EMPLOYMENT OPPORTUNITY and FAIR HOUSING**

The Owner certifies that it is an "Equal Opportunity Employer" and that it will comply with all applicable regulations of the U.S. Department of Housing and Urban Development pertaining to equal opportunity and affirmative action in employment. Further, the Owner shall ensure that all contracts for work under this Agreement contain appropriate equal employment opportunity statements. In addition, Owner shall comply with all provisions of 24 CFR 92.350.

**7. SECTION 3**

Any contract of \$300,000 or greater entered into by the Owner shall adhere to the following Section 3 requirements and provide reports as required by HUD. The Owner agrees to comply with Section 3 requirements set forth in 24 CFR Part 75, and to include the following language in all contracts and subcontracts executed under this Agreement:

*The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall be, to the greatest extent feasible, directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing and those residing in communities where the financial assistance is expended.*

*Section 3 applies to recipients of more than \$200,000 from housing and community development programs and all contractors or subcontractors that receive covered contracts in excess of \$100,000 for housing construction, rehabilitation, or other public construction.*

*The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 75 regulations.*

*The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.*

*The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with the regulations in 24 CFR Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.*

*The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.*

*Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.*

## **8. WOMEN- AND MINORITY-OWNED BUSINESS ENTERPRISE**

Subject to compliance with applicable law, the Owner will use its best efforts to afford minority and women-owned business enterprises (at least fifty-one (51) percent owned and controlled by minority group members or women) the maximum practicable opportunity to participate in the performance of this Agreement.

## **9. LABOR**

New construction and rehabilitation projects funded under the HOME Investment Partnerships-American Rescue Plan Program that contain more than eleven (11) HOME-ARP assisted units shall comply with the labor provisions outlined in 24 CFR 92.354. The Owner agrees to adhere to said provisions and will not use suspended or debarred contractors and will abide by 24 CFR 92.357. The Owner shall be responsible for compliance with all requirements of Davis Bacon Act.

## **10. ENVIRONMENTAL ASSESSMENT AND HISTORIC PRESERVATION**

- A. The Owner shall comply with all applicable environmental assessment and historic preservation requirements of HUD and the State Historic Preservation Officer of Alabama.
- B. Radon resistant construction techniques shall be used, and post construction radon testing must be completed and submitted to the City. The Owner must incorporate radon resistant construction techniques and post construction radon testing in all construction contracts.
- C. If archaeological materials are encountered during construction, construction must stop immediately, and the Owner must notify the City and procedures outlined in 36 CFR 800.13(b) must be followed. The Owner must incorporate notification in all construction contracts.

## **11. LEAD-BASED PAINT POISONING PREVENTION**

The Owner shall comply with requirements of Section 302 of the Lead-Based Paint Poisoning Prevention Act and HUD regulations there under 24 CFR 92.355 insofar as they apply to the performance of this Agreement.

## **12. BUILD AMERICA, BUY AMERICA**

The Owner must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Owner's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates are subject to BABA requirements, unless excepted by waiver.

## **13. TERMINATION OF AGREEMENT FOR CAUSE**

If the Owner fails to materially fulfill its obligations under this Agreement in a timely and proper manner, or if the Owner violates any of the terms, agreements or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement by giving written notice to the Owner of such termination, specifying the default or defaults, and stating that this Agreement shall be terminated thirty (30) days after the giving of such notice unless such default or defaults are remedied within such cure period unless the default or violation is of a nature that it cannot be cured within thirty (30) days in which event Owner shall be provided additional time to cure so long as Owner initiated its efforts to cure such default within said thirty (30) day time period and diligently pursues such cure to completion. The City shall be obligated to make no payment due hereunder after it gives

said notice unless the defaults are remedied within said 30-day period. In the event of such termination, the Owner shall immediately repay to the City the full loan amount and accrued interest or that portion of the amounts that have been disbursed to the Owner prior to such termination.

Any such written notices shall be sent to Owner at the following address:

NEW STONE COMMONS LLC  
Attn: Managing Member  
2808 6<sup>th</sup> St SW  
Huntsville, AL 35805

With a copy to:

NFI NEW STONE LLC  
Attn: Executive Director  
3409 Venona Avenue  
Huntsville, AL 35810

With copy to Lenders:

United Bank  
Attn: Joseph D. Raines  
200 East Nashville Avenue  
Post Office Box 8  
Atmore, AL 36504

Alabama Housing Finance Authority  
Attn: Multifamily Department  
7460 Halcyon Pointe Dr, Suite 200  
Montgomery, AL 36116

#### **14. TERMINATION OF AGREEMENT**

Separate and apart from Paragraph 13, this Agreement may be terminated in whole or in part upon the mutual agreement of the parties hereto, in which case the City and the Owner shall agree upon the termination conditions, including the effective date, the disposition of contract amounts, and in the case of partial termination, the portion to be terminated. However, if, in the case of partial termination, the City determines that the remaining portion of the award will not accomplish the purposes for which the award was made, and the award is terminated in its entirety, the Owner shall immediately repay to the City the full loan amount and accrued interest or that portion of the amount which has been disbursed to the Owner prior to such termination.

## **15. INTEREST OF CERTAIN FEDERAL AND OTHER OFFICIALS**

- A. No member or delegate to the Congress of the United States, and no resident Commissioner, shall be admitted to any share or part of this Agreement, or to any benefit to arise here from.
- B. No member of the governing body of the City, no officer, employee, official or agent of the City, or other local public official who exercises any functions or responsibilities in connection with the review, approval or carrying out of the Project to which this Agreement pertains, shall have any private interest, direct or indirect, in this Agreement.
- C. No federal funds appropriated under this Agreement shall be paid, by or on behalf of the Owner, to any person for influencing or attempting to influence a member of Congress, an officer or employee of Congress or any federal agency in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or agreement.
- D. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, the Owner shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- E. The Owner shall require that the language of this certification be included in the award documents for all sub-Developers and that all sub-Developers shall certify and disclose accordingly.
- F. The Owner agrees to comply with the conflict of interest provisions of 24 CFR 92.356.

## **16. GRANTOR RECOGNITION**

All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as HOME-ARP funded. In addition, the Owner will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

## **17. ASSIGNABILITY**

The Owner shall not assign or transfer any interest in this Agreement without the prior written approval of the City. Any assignment made without such consent shall be void. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

**18. HOLD HARMLESS PROVISION**

The Owner shall indemnify, defend and hold harmless the City, its officers, employees and agents from all liability, loss, cost, damage and expense (including reasonable attorney's fees and court costs) resulting from or incurred by reason of any actions based upon the negligent acts or omissions of the Owner's employees or agents during the performance of this Agreement.

**19. SEVERABILITY CLAUSE**

If any one or more of the provisions contained in this Agreement are held to be invalid, illegal, or unenforceable, this Agreement shall be deemed severable, and the remainder of the Agreement shall remain in full force and effect.

**20. LIMITATIONS OF CITY LIABILITY - DISCLAIMER OF RELATIONSHIP**

The City shall not be liable to the Owner, or to any party, for completion of or failure to complete any improvements which are part of the Project. Nothing contained in this Agreement, nor any act or omission of the City or the Owner, shall be construed to create any special duty, relationship, third-party beneficiary, respondent superior, limited or general partnership, joint venture, or any association by reason of the Owner's involvement with the City.

The Parties agree that any form of electronic signature, including but not limited to signatures via facsimile, standing, or electronic mail, may substitute for the original signature and shall have the same legal effect as the original signature.

The Parties further agree, represent and warrant that the persons signing this Agreement on behalf of each Party has full authority to sign on that Party's behalf and to bind that Party.

[Signature pages to follow.]

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement on this 23<sup>rd</sup> day of April 2026.

**CITY OF HUNTSVILLE, ALABAMA**

By: \_\_\_\_\_  
Tommy Battle, Mayor  
City of Huntsville, Alabama

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Shaundrika Edwards, City Clerk  
City of Huntsville, Alabama

**NEW STONE COMMONS LLC**  
an Alabama limited liability company

By: NCI New Stone LLC  
an Alabama limited liability company  
Its: Managing Member

By: Neighborhood Concepts, Inc.  
an Alabama non-profit corporation  
Its: Sole Member and Manager

By: \_\_\_\_\_  
Mary Ellen Judah  
Its Executive Director

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Neighborhood Concepts, Inc.

NFI NEW STONE LLC  
an Alabama limited liability company  
Its: Member

By: New Futures, Inc.  
an Alabama non-profit corporation  
Its: Sole Member and Manager

By: \_\_\_\_\_  
Tayna Rains  
Its Executive Director

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
New Futures, Inc.

**EXHIBIT A**  
**TO AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA**  
**AND NEW STONE COMMONS LLC**  
**FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN**  
**PROGRAM FUNDS**

**Legal Description of HOME-ARP Assisted Property**

Lot 1, according to the plat of New Stone Commons as recorded in the Office of the Judge of Probate of Madison County, Alabama in Plat Book 2025, Pages 249-250 situated in Section 23, Township 3 South, Range 1 West, of the Huntsville Meridian, Madison County, Alabama {BEARINGS AND/OR DISTANCES referenced to the Alabama State Plane Coordinate System, East Zone, NAD83(2011)} and being more particularly described as follows:

Commencing at a found 5/8" rebar marking the southwest corner of Lot 33, Block 5, Glen Park Subdivision Third Addition, as recorded in Plat Book 3, Page 108 and being further described as lying on the north right-of-way of Venona Avenue; thence run 94.04 feet along the east right-of-way of said Venona Avenue and a curve to the right, having a radius of 102.25 feet, a delta angle of 52 degrees 41 minutes 51 seconds, and a chord bearing and distance of North 69 degrees 20 minutes 40 seconds West 90.76 feet to a found 1.5" crimp iron; thence run North 42 degrees 55 minutes 54 seconds West 99.90 feet along the east right-of-way of said Venona Avenue to a found 1" crimp iron; thence run 105.85 feet along the east right-of-way of said Venona Avenue and a curve to the right, having a radius of 156.71 feet, a delta angle of 38 degrees 42 minutes 01 seconds, and a chord bearing and distance of North 24 degrees 18 minutes 24 seconds West 103.85 feet to a found 1" crimp iron; thence run North 05 degrees 42 minutes 03 seconds West 341.27 feet along the east right-of-way of said Venona Avenue to the Point of Beginning; thence run North 05 degrees 42 minutes 03 seconds West 363.19 feet along the east right-of-way of said Venona Avenue to a found 1/2" rebar; thence run North 84 degrees 16 minutes 52 seconds East 120.08 feet to a found 5/8" rebar; thence run South 05 degrees 26 minutes 57 seconds East 60.05 feet to a found 1" crimp iron; thence run North 83 degrees 49 minutes 58 seconds East 120.02 feet to a found 5/8" rebar; thence run South 70 degrees 22 minutes 17 seconds East 56.17 feet to a found 5/8" rebar; thence run North 84 degrees 12 minutes 01 second East 119.79 feet to a found capped rebar; thence run South 05 degrees 40 minutes 34 seconds East 280.33 feet; thence run South 84 degrees 17 minutes 57 seconds West 410.28 back to the Point of Beginning.

Said lot contains 2.947 acres (128,356 sq. ft.) more or less.

PIN: 134367

PARCEL: 14-06-23-1-001-063.000

**EXHIBIT B**  
**TO AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA**  
**AND NEW STONE COMMONS LLC**  
**FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN**  
**PROGRAM FUNDS**

**Development Budget**

<b>SOURCES</b>	
AHFA HOME-ARP Construction	\$12,147,583
AHFA HOME-ARP Operating	\$1,400,000
City HOME-ARP Construction	\$2,303,835
Deferred Developer Fee	\$88,011
<b>TOTAL SOURCES</b>	<b>\$15,939,429</b>

<b>USES</b>	
Land Cost	\$180,000
Construction Cost	\$9,204,159
Builders Profit and Overhead	\$495,467
Permitting and Tap Fees	\$61,750
Contingency	\$670,773
Architect and Engineering	\$505,087
Interest During Construction	\$655,200
Loan Fees	\$84,000
Title and Recording	\$15,000
Taxes During Construction	\$10,000
Builders Risk	\$80,800
Legal and Organization	\$25,000
Insurance	\$39,300
Furnishings (Units and Common Areas)	\$375,000
Other (Appraisal, Marketing, Environmental etc.)	\$157,500
Operating Deficit Reserve	\$96,538
Operating Cost Reserve	\$1,400,000
Developers Fee	\$1,883,855
<b>TOTAL USES</b>	<b>\$15,939,429</b>

**EXHIBIT C**  
**TO AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA**  
**AND NEW STONE COMMONS LLC**  
**FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN**  
**PROGRAM FUNDS**

**Occupancy Restrictions**

Of the forty-two (42) HOME-ARP Assisted Units in the Project, at a minimum, thirty (30) units are restricted to households of individuals and families that meet the definition of one or more of the qualifying populations as outlined in Section IV.A of HUD’s CPD Notice 21-10 “Requirements for the Use of Funds in the HOME-ARP Program” at the time of the household’s initial occupancy. The remaining twelve (12) units, if not occupied by a qualifying population, must be restricted to low-income households as defined in 24 CFR 92.2. The HOME-ARP Assisted Units are fixed units (not floating units). The HOME-ARP Assisted Units restricted to qualifying populations must be evenly distributed throughout the unit sizes.

**Rent Restrictions**

The Project must adhere to HUD’s CPD Notice 21-10 “Requirements for the Use of Funds in the HOME-ARP Program” in determining household income, income annual recertification, rent limitations, tenant contributions to rent, changes in income, and over-income households outlined in:

- Section VI.B.12: Determining Household Income
- Section VI.B.13: Rent Limitations
- Section VI.B.14: Tenant Contribution to Rent – Qualifying Households
- Section VI.B.15: Changes in Income and Over-Income Households

HOME-ARP rents cannot exceed 30% of the adjusted income of a qualifying household whose annual income is equal to or less than 50% of the area median income, as determined by HUD, with adjustments for the number of bedrooms in the unit. HOME-ARP rent for qualifying households at initial occupancy and whose annual income at the time of annual income-recertification is above 50% of the area median income will be based on HOME-ARP Requirements and 24 CFR 92.252(a).

For low-income households, HOME-ARP rents must comply with rent limitations in HOME-ARP Requirements and 24 CFR 92.252(a).

HUD will publish the HOME-ARP rent limits on an annual basis. HOME-ARP rents and maximum allowances for utilities and services for the Project must be approved by the City annually.

**EXHIBIT D**  
**TO AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA**  
**AND NEW STONE COMMONS LLC**  
**FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN**  
**PROGRAM FUNDS**

**Project Summary**

**HOME-ARP Loan Amount and Terms: \$2,303,834.90 Subordinate Loan at 5%, 15 Year Term.** The entire principal amount and accrued interest on the Loan shall be fully forgiven if the Owner maintains continuous compliance with all HOME-ARP Requirements throughout the full Compliance Period. If the Owner fails, within the first ten (10) years of the Compliance Period, to comply with any federal, state or local HOME-ARP Requirements, then the entire principal amount and accrued interest shall become due and payable to the City. If noncompliance occurs in years eleven (11) through fifteen (15), the repayment amount shall be reduced by twenty (20) percent for each year beyond the initial ten (10) years during which time the Project was compliant.

If the Owner sells or transfers, either voluntarily or involuntarily, the Project during the Compliance Period, the entire principal amount and accrued interest shall become due and payable to the City, unless the City agrees to the sell or transfer in writing, the successor agrees in writing to assume all obligations of the HOME-ARP Program, and the Project remains in compliance with all HOME-ARP Requirements for the duration of the Compliance Period.

<b>Participant Name:</b>	New Stone Commons LLC
<b>Participant Contact Info:</b>	ATTN: Housing Department 2808 6 <sup>th</sup> Street SW Huntsville, AL 35805 (256) 534-0075
<b>Participant Role:</b>	Project Owner
<b>Federal Tax ID:</b>	33-2024442
<b>UEI Number</b>	K5XUAEBSY4V7
<b>Project Name:</b>	New Stone Commons
<b>Project Address:</b>	3450 Venona Ave NW Huntsville, AL 35810
<b>Project Type:</b>	Multifamily Rental
<b>Activity Type:</b>	New Construction
<b>Funding Type(s):</b>	AHFA HOME-ARP Funds
<b>Estimated Development Cost:</b>	\$15,939,429
<b>Total Number of Units:</b>	42
<b>Number of HOME-ARP Assisted Units:</b>	42
<b>Compliance Period:</b>	15 years
<b>Community Type:</b>	Family

**EXHIBIT E**  
**TO AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA**  
**AND NEW STONE COMMONS LLC**  
**FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN**  
**PROGRAM FUNDS**

**PROMISSORY NOTE**

## PROMISSORY NOTE

**\$2,303,834.90**

**April 23, 2026  
Huntsville, Alabama**

**FOR VALUE RECEIVED**, the undersigned, **NEW STONE COMMONS LLC**, an **Alabama limited liability company**, (the “Promisor”), hereby promises to pay the **CITY OF HUNTSVILLE, ALABAMA**, a municipal corporation organized under the laws of the State of Alabama (the “City”), at 305 Fountain Circle, Huntsville, Alabama, or at such other place as the City may direct, in lawful money of the United States of America constituting legal tender in payment of all debts and dues, public and private, together with interest thereon calculated at the rate and in the manner set forth herein, the principal amount of **TWO MILLION THREE HUNDRED AND THREE THOUSAND EIGHT HUNDRED AND THIRTY FOUR AND 90/100 DOLLARS (\$2,303,834.90)**, on or before the expiration of the **Compliance Period as defined in the Agreement Between the City of Huntsville, Alabama And New Stone Commons LLC for Home Investment Partnerships-American Rescue Plan Program Funds dated April 23, 2026**, in accordance with the terms and conditions as set forth more fully herein. Such principal amount is subject to forgiveness and reinstatement as herein provided. Such principal amount shall bear interest at a per annum rate of five percent (5.00%) on the balance for the 15 year term of the Promissory Note. This Promissory Note (this “Note”) is being issued and delivered by the Promisor to the City pursuant to the terms and conditions of that certain agreement between the City of Huntsville, Alabama and New Stone Commons LLC for HOME Investment Partnerships-American Rescue Plan Program Funds, dated April 23, 2026, and adopted and approved by the Huntsville City Council pursuant to Resolution No. 26- \_\_\_\_ (“HOME-ARP Agreement”), and the HOME-ARP Agreement is incorporated herein as fully and to the same extent as though fully set forth therein. Capitalized terms used and not otherwise defined in this Note shall have the meaning given to them in the HOME-ARP Agreement or in the Mortgage from the Promisor to the City dated the same as the date hereof (the “Mortgage”). References to exhibits not otherwise attached to this Note shall mean the exhibits attached to the HOME-ARP Agreement.

1. Principal and Interest. The principal shall bear interest at a per annum rate of five percent (5%), subject to the following:

- A. If the Promisor maintains full and continuous compliance with all requirements set forth in the HOME – American Rescue Plan Program throughout the full Compliance Period, then the full amount of principal as well as all accrued interest shall be forgiven.
- B. If the Promisor fails to meet any of the requirements of the HOME – American Rescue Plan Program, giving

consideration to any grace or cure period that may be expressly provided for therein, at anytime within the first ten (10) years of the Compliance Period, the entire amount of all principal and accrued interest then due and owing shall be immediately payable.

- C. If the Promisor breaches or fails to meet any of the requirements of the HOME – American Rescue Plan Program, giving consideration to any grace or cure period that may be expressly provided for therein, at anytime within years eleven (11) through fifteen (15) of the Compliance Period, then the amount of the principal and accrued interest shall be reduced by Twenty Percent (20%) for each year beyond the initial 10 years.

2. Prepayment. This Note shall not be prepayable by the Promisor at any time during the Term except as set forth in the HOME-ARP Agreement.

3. Events of Default. Upon the occurrence of any one or more of the following events (“Events of Default”):

- (a) the occurrence of an Event of Default under the HOME-ARP Agreement;
- (b) the failure or breach by the Promisor of any of the requirements of the HOME – American Rescue Plan Program

then, or at any time thereafter the City may, with or without notice to Promisor, declare this Note to be immediately due and payable as set forth in Paragraph 1 herein.

4. Waivers. The Promisor hereby waives demand, presentment for payment, notice of dishonor, protest and notice of protest and diligence in collection or bringing suit and agrees that the City may accept partial payment, or release or exchange security or collateral, without discharging or releasing any unreleased collateral or the obligations evidenced hereby. The Promisor further waives any and all rights of exemption, both as to personal and real property, under the constitution or laws of the United States, the State of Alabama or any other state.

5. Attorneys’ Fees. The Promisor agrees to pay reasonable attorneys’ fees and costs incurred by the City in collecting or attempting to collect this Note, whether by suit or otherwise.

6. Miscellaneous. As used herein, the terms “Promisor” and “City” shall be deemed to include their respective successors, legal representatives and assigns, whether by voluntary action of the parties or by operation of law. This Note has been negotiated and is being executed and delivered in Huntsville, in the State of Alabama, or if executed elsewhere, shall become effective upon delivery by the Promisor to the City; provided, however, that the City shall have no obligation to give, nor shall the Promisor be entitled to receive, any notice of such acceptance for this Note to become a binding obligation of the Promisor. The Promisor hereby submits to jurisdiction in the State of Alabama. This Note shall be governed by and be construed in

accordance with the laws of the State of Alabama governing interest, and the laws of the State of Alabama shall apply to this Note and to this transaction. This Note may not be modified except by written agreement signed by the Promisor and the City, or by their respective successors or assigns.

**IN WITNESS WHEREOF**, the Promisor has caused this Promissory Note to be executed, sealed and delivered as of the date first above written.

**CAUTION - IT IS IMPORTANT THAT YOU THOROUGHLY READ THIS PROMISSORY NOTE BEFORE YOU SIGN IT.**

**PROMISORS:**

**NEW STONE COMMONS LLC**  
an Alabama limited liability company

By: NCI New Stone LLC  
Its: Managing Member

By: Neighborhood Concepts, Inc.  
an Alabama non-profit corporation  
Its: Sole Member

By: \_\_\_\_\_  
Mary Ellen Judah  
Its Executive Director

**NFI NEW STONE LLC**  
an Alabama limited liability company  
Its: Member

By: New Futures, Inc.  
an Alabama non-profit corporation  
Its: Sole Member and Manager

By: \_\_\_\_\_  
Tayna Rains  
Its Executive Director

STATE OF ALABAMA )

COUNTY OF MADISON )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Mary Ellen Judah, whose name as Executive Director of Neighborhood Concepts, Inc. as the sole member and manager of NCI New Stone LLC, an Alabama limited liability company, as the Managing Member of **NEW STONE COMMONS LLC**, an Alabama limited liability company, is signed to the foregoing promissory note, and who is known to me, acknowledged before me on this day that, being informed of the contents of such promissory note, she as such officer and with full authority to act on behalf of said entity, executed the same voluntarily for and as the act of said entity in its capacity as the sole member of NCI New Stone LLC, an Alabama limited liability company, in its capacity as the Managing Member of **NEW STONE COMMONS LLC**, an Alabama limited liability company.

Given under my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_  
Notary Public

STATE OF ALABAMA )

COUNTY OF MADISON )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Tayna Rains, whose name as Executive Director of New Futures, Inc. as the sole member and manager of NFI New Stone LLC, an Alabama limited liability company, as a Member of **NEW STONE COMMONS LLC**, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such promissory note, she as such officer and with full authority to act on behalf of said entity, executed the same voluntarily for and as the act of said entity in its capacity as the sole member of NCI New Stone LLC, an Alabama limited liability company, in its capacity as the managing member of **NEW STONE COMMONS LLC**, an Alabama limited liability company.

Given under my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_  
Notary Public

**EXHIBIT F**  
**TO AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA**  
**AND NEW STONE COMMONS LLC**  
**FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN**  
**PROGRAM FUNDS**

**MORTGAGE AND SECURITY AGREEMENT**

**NOTE TO PROBATE JUDGE:** This Mortgage in favor of the City of Huntsville, Alabama, a municipal corporation, County of Madison, State of Alabama, is exempt from payment of mortgage recordation taxes in the State of Alabama by act of legislature codified at Ala. Code §§ 24-1-115 and 24-1A-12.

STATE OF ALABAMA  
COUNTY OF MADISON

THIS INSTRUMENT WAS PREPARED BY:  
T. Michael Brown  
Bradley Arant Boult Cummings LLLP  
Birmingham, Alabama 35203

## **MORTGAGE AND SECURITY AGREEMENT**

THIS MORTGAGE is made on this the 23<sup>rd</sup> day of April, 2026 between **NEW STONE COMMONS LLC**, an Alabama limited liability company, whose address is 2808 6<sup>th</sup> Street SW, Huntsville, Alabama 35805 (Referred to as “Mortgagor”) and **THE CITY OF HUNTSVILLE, ALABAMA**, an Alabama municipal corporation, acting by and through the Department of Community Development, 305 Fountain Circle, Huntsville, Alabama 35801 (referred to as “Mortgagee”).

### **Recitals**

The Mortgagor has executed and delivered to the Mortgagee a Promissory Note in the amount of Two Million Three Hundred and Three Thousand Eight Hundred and Thirty-Four and 90/100 Dollars (**\$2,303,834.90**) (“Note”), in which the Mortgagor promises to pay to the Mortgagee said sums, in lawful money of the United States, advanced or to be advanced by the Mortgagee to the Mortgagor, with interest on the principal sum at the rate and times, in the manner, and according to the terms and conditions specified in the Note. The Two Million Three Hundred and Three Thousand Eight Hundred and Thirty-Four and 90/100 Dollars (**\$2,303,834.90**) lent to the Mortgagee under the Note, or such sums that may be advanced from time to time under the Note, shall be referred to as the “Loan” and any outstanding balances, including fees and expenses, may be referred to as “Indebtedness.” This Mortgage also secures the Mortgagor’s obligations under the “Declaration of Land Use Restrictive Covenants (the “LURC”)for City of Huntsville, Alabama recorded pursuant to that certain Agreement between the City of Huntsville, Alabama and New Stone Commons LLC For Home Investment Partnerships-American Rescue Plan Program Funds dated April 23, 2026 (the “Agreement”), by and among the City and the Mortgagor which terms and obligations are hereby incorporated into this Mortgage by reference. **The total principal indebtedness secured shall not exceed the face amount of this Mortgage.** This Mortgage is or shall become subject and subordinate to mortgages in favor of United Bank and Alabama Housing Finance Authority.

NOW, THEREFORE, in consideration of the indebtedness, as security for payment to the Mortgagee of the principal and any interest, as well as all other sums provided for in the Note and in this Mortgage, in accordance with their respective terms and conditions, and for performance of the agreements,

conditions, covenants, provisions, and stipulations contained in this Mortgage, the LURC Covenants, the Note, and the Agreement (which, along with all other documents or instruments relating to the Loan, shall be referred to collectively as the "Loan Documents"), the Mortgagor grants, conveys, and mortgages to the Mortgagee all the real estate described in Exhibit "A" attached to and made a part of this Mortgage;

TOGETHER WITH the following, which shall be referred to collectively with the real estate described in Exhibit "A" as the "Mortgaged Property":

- (1) Any and all buildings and improvements erected or subsequently erected on the property (the "Improvements");
- (2) Any and all fixtures, appliances, machinery, equipment, and other articles of personal property at any time installed in, attached to, or situated in or on the real estate or the buildings and improvements to be erected on the real estate, or to be used or intended to be used in connection with the real estate or in the operation of the buildings, improvements, plant, business, or dwelling on the real estate, whether or not the personal property is or shall be affixed to the real estate;
- (3) All building materials, fixtures, building machinery, and building equipment delivered to the site of the real estate during the course of, or in connection with, construction of the buildings and improvements;
- (4) Any and all tenements, hereditaments, and appurtenances belonging or in any way pertaining to the real estate or any part of the real estate mortgaged or intended to be mortgaged under this Mortgage;
- (5) All streets, alleys, passages, ways, and water courses; all easements and covenants now existing or subsequently created for the benefit of the Mortgagor or any future Owner or tenant of the mortgaged real estate over ground adjoining the mortgaged real estate; and all rights to enforce the maintenance of such accesses and rights;
- (6) All other rights, liberties, and privileges; all reversions, remainders, income, rents, issues, and profits arising from them; and all the estate, right, title, interest, property, possession, claim, and demand, at law or in equity, of the Mortgagor in and to the real estate or any part of it; and
- (7) The proceeds and replacements of any of the foregoing;

ALSO TOGETHER WITH any and all awards made to the present and subsequent Owners of the Mortgaged Property by any governmental or other lawful authorities for taking or damaging by eminent domain of all or any part of the Mortgaged Property or any easement in the property. The Mortgagor assigns such awards to the Mortgagee, who is authorized to collect and receive the proceeds of any awards from the authorities, to give proper receipts and acquittances for those awards, and to apply them (after deduction of attorneys' fees and other costs incurred in connection with collecting the funds) toward the payment of the amount owing on account of this Mortgage and the accompanying Note, even though the amount owing may not then be due and payable. The Mortgagor agrees to make, execute, and deliver, on request, any and all assignments and other instruments sufficient for the purpose of assigning the awards to

the Mortgagee, free, clear, and discharged of any and all encumbrances. The Mortgagor further agrees to give the Mortgagee immediate notice of the actual or threatened commencement of any proceedings in the nature of eminent domain affecting all or any part of the Mortgaged Property and will deliver to the Mortgagee copies of any papers served on the Mortgagor in connection with any such proceedings. No settlement for the damages sustained shall be made by the Mortgagor without the Mortgagee's prior written approval. Approval shall not be unreasonably withheld.

TO HAVE AND TO HOLD for its own use forever, the Mortgagee is granted, under this Mortgage, the interests and rights in the Mortgaged Property as described above; PROVIDED ALWAYS, and this Mortgage is executed on the express condition that, if the Mortgagor pays to the Mortgagee the principal sum of the Note, the interest, and all other sums that are secured by this Mortgage and that are payable by the Mortgagor to the Mortgagee, in accordance with the provisions of the Note and this Mortgage, at the times and in the manner specified, and without deduction, fraud, or delay, and if the Mortgagor performs and complies with all the agreements, conditions, covenants, provisions, and stipulations contained in this Mortgage and in the Note, the LURC Covenants, the Agreement and this Mortgage and the estate granted by it shall cease and become null and void, except for the provisions which explicitly survive the satisfaction of this Mortgage, if any.

BUT THIS CONVEYANCE IS MADE UPON THE FOLLOWING CONDITIONS,

NEVERTHELESS, that is to say: If Mortgagor shall pay or cause to be paid to Mortgagee, its successors or assigns, the Indebtedness according to the conditions and agreements of the Loan Documents, and shall keep, perform and observe all of the covenants, obligations and agreements contained in the Loan Documents, all without delay, as required thereunder and hereunder, then this Mortgage shall cease and be null and void; otherwise this Mortgage shall remain in full force and effect. Notwithstanding the foregoing or anything in this Mortgage to the contrary, that the Agreement, the LURC Covenants encumbering the Premises shall continue to be in effect against the Premises for the full Compliance Period as set forth in the Agreement and Mortgagor shall remain subject to the requirements as set forth in the Agreement relative to the Affordable Housing Program established by Mortgagee (the "HOME-ARP Program") utilizing funds obtained under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) for the HOME Investment Partnerships Program created under Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended (Title II, Publ. L 101-625, originally approved November 28, 1990, 104 Stat. 4085, 42 U.S.C. 12701 *et seq.*) (the "Acts"), and shall further comply with the requirements of 24 CFR Part 92 ("HOME Regulations") and HOME-ARP requirements as outlined in U.S. Department of Housing and Urban Development's (HUD) CPD Notice 21-10 "Requirements for the Use of Funds in the HOME-ARP Program" ("HOME-ARP Requirements").

As part of the consideration for the indebtedness secured hereby and to protect the security of this Mortgage, THE MORTGAGOR COVENANTS and agrees as follows:

## ARTICLE I

### REPRESENTATIONS AND WARRANTIES OF MORTGAGOR

#### 1.01. Status of Collateral.

(a) The Mortgagor has good and marketable fee simple title to the Mortgaged Property, free and clear of all liens, encumbrances, charges, and all other conditions except, those set forth in the Mortgagee's Title Policy including, without limitation, mortgages in favor of United Bank and Alabama Housing Finance Authority and ad valorem taxes not yet due and payable, restrictions, reservations, and easements of record as of the date hereof and any restrictive covenants associated with the low income housing tax credits allocated to the Mortgagor (the "Permitted Encumbrances").

(b) The Mortgaged Property is free from all defects which would materially interfere with the value of the Mortgaged Property and is constructed in compliance with all laws, ordinances, covenants, conditions, restrictions, and reservations including, without limitation, zoning ordinances affecting the Property.

(c) There are presently in effect all material licenses, certificates of occupancy and permits as may be required for the present and proposed operation and use of the Mortgaged Property.

(d) To the best of Mortgagor's knowledge after due inquiry, the Property and Improvements are zoned to permit the present and proposed operation and use thereof, or of a pre-existing non-conforming use which can be continued under the applicable zoning ordinance, and under such applicable zoning ordinance the Property and Improvements can be restored to their presently existing condition and use in the event of a casualty.

(e) To the best of Mortgagor's knowledge after due inquiry, no material structural defects or dangerous conditions exist with respect to any Improvements.

**1.02 Survival of Representations and Warranties.** Mortgagor covenants and agrees with Mortgagee that all representations and warranties of Mortgagor contained in the Loan Documents shall be true at the time of the execution of each of the Loan Documents, and shall survive the execution, delivery and acceptance thereof by the parties thereto and the closing of the transactions described therein or related thereto.

## ARTICLE II

### COVENANTS OF MORTGAGOR

**2.01. Payment and Performance.** The Mortgagor shall pay to the Mortgagee, in accordance with the terms of the Note and this Mortgage, the principal, interest, and other sums, and shall perform and comply with all the agreements, conditions, covenants, provisions, and stipulations of the Note and this Mortgage.

**2.02. Maintenance of Mortgaged Property.** The Mortgagor shall abstain from and shall not permit the commission of waste in or about the Mortgaged Property. The Mortgagor shall not remove or demolish, or

alter the structural character of, any building erected at any time on the Mortgaged Property without the prior written consent of Mortgagee. The Mortgagor shall not permit the Mortgaged Property to become vacant, deserted, or unguarded, and shall maintain the Mortgaged Property in good condition and repair, with reasonable wear and tear excepted, making all repairs of every nature whenever necessary. Mortgagor shall restore or repair promptly, in a good and workmanlike manner, any damaged part of the Mortgaged Property to the equivalent of its original condition ordinary wear and tear excepted, or such other condition as Mortgagee may approve in writing, whether or not insurance proceeds or condemnation awards are available to cover any costs of such restoration or repair ordinary wear and tear excepted, except to the extent Mortgagee applies such insurance proceeds or condemnation awards to reduce the Loan Obligations. Mortgagor shall not (and shall not permit any other person) to remove, demolish, or alter the Mortgaged Property or any part of the Mortgaged Property.

**2.03. Insurance.** The Mortgagor shall maintain such insurance as the Mortgagee may reasonably require and as set forth in any of the Loan Documents.

**2.04. Taxes and Other Charges.**

- (a) The Mortgagor shall pay, when due and payable and before interest or penalties accrue, all taxes, assessments, water and sewer rents, and other charges or claims that may be assessed, levied, or filed at any time against the Mortgagor, against all or any part of the Mortgaged Property, or against the interest of the Mortgagee in the Mortgaged Property; or that, by any present or future law, may have priority over the indebtedness secured by this Mortgage either in lien or in distribution out of the proceeds of any judicial sale. The Mortgagor shall produce receipts for payment of these amounts to the Mortgagee not later than the payment dates.
- (b) In the event of the passage of any state, federal, municipal or other governmental law, order, rule or regulation, subsequent to the date hereof, in any manner changing or modifying the laws now in force governing the taxation of mortgages or debts secured by mortgages or the manner of collecting taxes, then Mortgagor immediately shall pay any increased taxes if allowed by law, and if Mortgagor fails to pay such additional taxes, or if Mortgagor is prohibited from paying such taxes, or if Mortgagee in any way is adversely affected by such law, order, rule or regulation, then in any of such events, all indebtedness secured by this Mortgage and all interest accrued thereon shall without notice become due and payable forthwith at the option of the Mortgagee.

**2.05. Installments for Insurance, Taxes, and Other Charges.** Intentionally Omitted.

**2.06. Condemnation.**

- (a) Mortgagor's Responsibilities: Proceedings. The Mortgagor, immediately upon obtaining knowledge thereof, shall notify the Mortgagee of any pending or threatened proceedings for the condemnation of any of the Mortgaged Property or of the exercise of any right of eminent domain with respect thereto, or any other pending or threatened proceedings arising out of injury or damage to any of the Mortgaged Property. The Mortgagee may participate in any such proceedings, and the Mortgagor from time to time

shall execute and deliver to the Mortgagee all instruments requested by the Mortgagor to permit such participation. The Mortgagor shall, at the Mortgagor's expense, diligently prosecute any such proceedings, deliver to the Mortgagor copies of all papers served in connection therewith and consult and cooperate with the Mortgagee, its attorneys and agents, in carrying on and defending any such proceedings.

(b) Mortgagee's Rights to Proceeds. All proceeds of condemnation awards or proceeds of sale in lieu of condemnation, and all judgments, decrees and awards for injury or damage to the Mortgaged Property shall be paid to the Mortgagee (subject to the rights of superior lien holders). The Mortgagor authorizes the Mortgagee to collect and receive the same, to give receipts and acquittances therefor, and to appeal from any such judgment, decree or award. The Mortgagee shall not be liable for any failure to collect, or exercise diligence in the collection of, any of the same.

**2.07. Inspections.** The Mortgagee, and any persons authorized by the Mortgagee, shall have the right at any time, on reasonable notice to the Mortgagor, to enter the Mortgaged Property at a reasonable hour to inspect and photograph its condition and state of repair.

**2.08. Books, Records, Accounts and Reports.** Mortgagor shall keep and maintain, or shall cause to be kept and maintained, at Mortgagor's cost and expense and in accordance with generally accepted accounting principles, consistently applied, proper and accurate books, records and accounts reflecting all items of income and expense in connection with the operation of the Project and in connection with any services, equipment, or furnishings provided in connection with the operation of the Project. Mortgagee and Mortgagee's agents, accountants, attorneys, the Secretary of HUD, and a designated representative shall have the right from time to time at all times during normal business hours to examine such books, records, and accounts at the office of Mortgagor or such other person or entity maintaining such books, records or accounts and to make copies or extracts thereof as Mortgagee shall desire and to discuss Mortgagor's affairs, finances and accounts with Mortgagor and with the officers and principals of Mortgagor, at such reasonable times as may be requested by Mortgagee.

**2.09. Restrictions on Rentals.** Tenants of the Project must meet certain income and occupancy restrictions, and the Project must remain affordable under the requirements of the Acts and the HOME-ARP Program. Furthermore, rental amounts shall conform to those restrictions as set forth in the Acts and the HOME-ARP Program, and as set forth in the Agreement.

**2.10. Fair Housing and Equal Opportunity.** Mortgagor shall comply with 24 CFR § 92.350 promulgated with respect to the HOME-ARP Program and all other non-discrimination requirements under applicable law, including, without limitation, the Fair Housing Act (42 U.S.C. § 3601 *et seq.*); Executive Order 11063; Executive Order 11246; the Age Discrimination Act of 1975 (42 U.S.C. § 6101 *et seq.*); the Equal Employment Opportunity Act of 1972 (42 U.S.C. § 2000e *et seq.*); Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 2000d *et seq.*); the Americans With Disabilities Act (42 U.S.C. § 12111 *et seq.*); the Housing and Urban Development Act of 1968 (Public Law No. 90-448, 82 Statute 476 (1968)); the Rehabilitation Act of 1973 (29 U.S.C. § 701 *et seq.*), each as amended from time to time, and all regulation and guidance promulgated thereunder.

**2.11. Leasing Documentation.** Prior to leasing any HOME-ARP designated unit, Mortgagor shall have in hand current: (a) rent schedules, (b) utility allowances, (c) tenant selection, occupancy, and termination policies, and (d) tenant lease forms applicable to HOME-ARP designated units. All of said instruments shall comply with applicable requirements of the HOME-ARP Program and all other applicable laws.

**2.12. Equal Housing.** Mortgagor shall display the HUD Equal Housing Opportunity poster, or a reasonable facsimile, at one or more locations within the Project that are frequented by tenants and visitors. Mortgagor shall include the HUD Equal Housing Opportunity logo and/or slogan, or a reasonable facsimile thereof, on all letterhead, forms, advertising, tenant literature, and media releases related to the Project.

**2.13. HOME-ARP Program Requirements.** Mortgagor shall comply with all HUD requirements regarding utilization of funds from the HOME-ARP Program and the requirements related to rent and occupancy as established by the HOME-ARP Program, including those set forth in or required by 24 CFR Part 92 and as outlined in HUD's CPD Notice 21-10 "Requirements for the Use of Funds in the HOME-ARP Program"

**2.14. Defaults and Right to Remedy.** The Mortgagee, at its option and without notice to the Mortgagor, shall have the right to make any payment or expenditure that the Mortgagor should have made, or that the Mortgagee deems advisable, to protect the security of this Mortgage or the Mortgaged Property, if the Mortgagor fails to pay taxes, assessments, water and sewer charges, other claims for which liens may be attached to the Mortgaged property (except in case of contest), or insurance premiums; fails to make necessary repairs; permits waste; or otherwise fails to comply with its obligations under this Mortgage, the Note, the LURC Covenants, the Loan Documents or any other document executed in connection with this Mortgage. Any payment by the Mortgagee shall be without prejudice to any of the Mortgagee's rights or remedies under this Mortgage, at law, or in equity. All sums, as well as costs, advanced by the Mortgagee pursuant to this Mortgage, shall be due immediately from the Mortgagor to the Mortgagee, shall be secured by this Mortgage, and shall bear interest at seven percent (7%) annually in excess of the rate otherwise provided in the Note from the date of payment by the Mortgagee until the date of repayment.

**2.15. Sale, Lease or Transfer, Etc.**

(a) Real Property. Except for Permitted Encumbrances the Mortgagor shall not sell, assign, transfer, convey, lease with an option to purchase, exchange or otherwise dispose of, any of the Mortgaged Property or any interest therein; or subject any of the Mortgaged Property or any interest therein to any additional lien, either voluntarily or involuntarily without the Mortgagee's prior written consent.

(b) Equity Interest in Mortgagor. The Mortgagor (if a partnership or corporation) shall not be dissolved, liquidated or terminated, whether by operation of law or otherwise. Any sale, pledge, encumbrance, contract to sell, assignment or other transfer of any equity interest in the Mortgagor, or any other transaction whereby the legal or beneficial Ownership of the Mortgagor is changed, including the sale of additional stock or other equity interests, the liquidation or dissolution of the Mortgagor, the merger or consolidation of the Mortgagor with any other person, or the participation by the Mortgagor in a statutory share exchange with any other person, shall be treated as a transfer of the Mortgaged Property for purposes of this Section. Notwithstanding the foregoing or anything to the

contrary in the Loan Documents, the pledge by the Managing Member of Mortgagor of its interest in Mortgagor to United Bank in connection with the construction loan shall not be treated as a transfer for purposes of this Section or result in a default under the Loan Documents.

### ARTICLE III

#### DEFAULT AND REMEDIES

**3.01. Events of Default.** Any one or more of the following shall constitute an "Event of Default":

(a) The failure of the Mortgagor to pay an installment of principal or interest, or any other sum, on the date it is due under the Note or this Mortgage.

(b) The Mortgagor's nonperformance of or noncompliance with any of the other agreements, conditions, covenants, provisions, or stipulations contained in the Agreement, the Note, in this Mortgage, the LURC Covenants, or in any other document executed in connection with this Mortgage but only if such nonperformance or noncompliance is not cured within thirty (30) days of Mortgagor's written notice to Mortgagor.

(c) Failure by Mortgagor duly to observe or perform any other term, covenant, condition or agreement of this Mortgage within thirty (30) days after such failure; provided, however, if such failure cannot be cured within such thirty (30) day period, then failure by Mortgagor to commence the curing thereof within such thirty (30) day period and diligently to prosecute such curing to completion within sixty (60) days

(d) The entry of a decree or order for relief by a court that has jurisdiction of the Mortgaged Property in respect to the Mortgagor in an involuntary case under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency, or other similar law; the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator, or similar official for any substantial part of the Mortgagor's property; or the ordering of the winding-up or liquidation of the Mortgagor's affairs.

(e) The commencement by Mortgagor of a voluntary case under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency, or other similar law; the consent by the Mortgagor to the appointment of, or the taking of possession by, a receiver, liquidator, assignee, trustee, custodian, sequestrator, or similar official for any substantial part of the Mortgagor's property; the making by either the Mortgagor or any guarantor of any assignment for the benefit of creditors; or the failure of either the Mortgagor or a guarantor generally to pay its debts as they become due.

(f) The failure, within sixty (60) days after the entry of a final judgment for the payment of money that is rendered against the Mortgagor.

(g) In the event the Mortgagor herein sells, transfers or conveys the real estate described herein other than as allowed by any Loan Documents.

**3.02. Acceleration of Maturity.** If an Event of Default shall have occurred, then the entire balance of the Indebtedness (including but not limited to the Loan) secured hereby (or such parts as Mortgagee may elect) with interest accrued thereon (or such parts as Mortgagee may elect) shall, at the option of the Mortgagee, become due and payable without notice or demand, time being of the essence. Any omission on the part of the Mortgagee to exercise such option when entitled to do so shall not be considered as a waiver of such right.

**3.03. Right of Mortgagee to Enter and Take Possession.**

(a) If an Event of Default shall have occurred and be continuing, the Mortgagor, upon demand of the Mortgagee, shall forthwith surrender to the Mortgagee the actual possession of the Mortgaged Property, and if and to the extent permitted by law, the Mortgagee or its agents may enter and take and maintain possession of all the Mortgaged Property, together with all the documents, books, records, papers and accounts of the Mortgagor or then Owner of the Mortgaged Property relating thereto, and may exclude the Mortgagor and its agents and employees wholly therefrom.

(b) If Mortgagor shall for any reason fail to surrender or deliver the Property or any part thereof after such demand by Mortgagee, Mortgagee may obtain a judgment or decree conferring upon Mortgagee the right to immediate possession or requiring Mortgagor to deliver immediate possession of the Premises to Mortgagee, to the entry of which judgment or decree Mortgagor hereby specifically consents. Mortgagor will pay to Mortgagee, upon demand, all expenses of obtaining such judgment or decree, including reasonable compensation to Mortgagee, its attorneys and agents; and all such expenses and compensation shall, until paid, be secured by the lien of this Mortgage.

(c) Upon every such entering upon or taking possession, the Mortgagee, as attorney-in-fact or agent of the Mortgagor, or in its own name as mortgagee and under the powers herein granted, may hold, store, use, operate, manage and control the Mortgaged Property (or any portion thereof selected by Mortgagee) and conduct the business thereof either personally or by its agents, and, from time to time (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, presently and other property; (ii) insure or keep the Mortgaged Property (or any portion thereof selected by Mortgagee) insured; (iii) manage and operate the Mortgaged Property (or any portion thereof selected by Mortgagee) and exercise all the rights and powers of the Mortgagor in its name or otherwise, with respect to the same, including legal actions for the recovery of rent, legal dispossessory actions against tenants holding over and legal actions in distress of rent, and with full power and authority to cancel or terminate any lease or sublease for any cause or on any ground which would entitle the Mortgagor to cancel the same, and to elect to disaffirm any lease or sublease made subsequent to this Mortgage or subordinated to the lien hereof; (iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted the Mortgagee, all as the Mortgagee from time to time may determine to be its best advantage; and the Mortgagee may collect and receive all the income, revenues, rents, issues and profits of the Mortgaged Property (or an portion

thereof selected by Mortgagee), including those past due as well as those accruing thereafter, and, after deducting (aa) all expenses of taking, holding, managing, and operating the Mortgaged Property (including compensation for the services of all persons employed for such purposes), (bb) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements and purchases and acquisitions, (cc) the cost of such insurance, (dd) such taxes, assessments and other charges prior to this Mortgage as the Mortgagee may determine to pay, (ee) other proper charges upon the Mortgaged Property or any part thereof, and (ff) the reasonable compensation, expenses and disbursements of the attorneys and agents of the Mortgagee, shall apply the remainder of the moneys so received by the Mortgagee, first to the payment of accrued interest under the Note; second to the payment of ad valorem taxes upon the property currently due; third to the payment of any other sums required to be paid by the Mortgagor under this Mortgage or under the other Loan Documents; fourth to the payment of overdue installments of principal on the Note; and the balance, if any, as otherwise required by law.

(d) Whenever all such Events of Default have been cured and satisfied, the Mortgagee may, at its option, surrender possession of the Mortgaged Property to the Mortgagor, or to whomsoever shall be entitled to possession of the Mortgaged Property as a matter of law. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.

#### **3.04. Receiver.**

(a) If an Event of Default shall have occurred and be continuing, the Mortgagee, upon application to a court of competent jurisdiction, shall be entitled, without notice and without regard to the adequacy of any security for the indebtedness hereby secured or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect the rents, profits, issues, royalties and revenues thereof.

(b) The Mortgagor shall pay to Mortgagee upon demand all costs and expenses, including receiver's fees, attorneys' fees, costs and agent's compensation, incurred pursuant to the provisions contained in this Paragraph 3.04; and all such expenses shall be secured by this Mortgage.

**3.05. Power of Sale.** At the option of said Mortgagee, this Mortgage may be foreclosed as now provided by law in case of past due Mortgages; and the Mortgagee shall be authorized to take possession of the premises hereby conveyed, and after giving twenty-one (21) days' notice by publication once a week for three (3) consecutive weeks, of the time, place and terms of sale, by publication in some newspaper published in the county wherein said property is located, to sell the same in front of the courthouse door of the county wherein said property is located, at public outcry, to the highest bidder for cash, and apply the proceeds of said sale: First, to the expense of advertising, selling and conveying, including a reasonable attorney's fee; second, to the payment of any amounts that may have been expended, or that may then be necessary to expend, in paying insurance, taxes and other encumbrances, with interest thereon; third, to the payment in full of the principal indebtedness and interest thereon, whether the same shall or shall not have

fully matured at the date of said sale; but no interest shall be collected beyond the day of sale; and, fourth, the balance, if any, to be turned over to the Mortgagor.

And the undersigned further agrees that said Mortgagee, its successors, or assigns, may bid at any sale had under the terms of this Mortgage, and purchase the Mortgaged Property, if the highest bidder therefor; and the undersigned further agrees to pay a reasonable attorney's fee to said Mortgagee, its successors or assigns for the foreclosure of this Mortgage, either under the power of sale contained herein or by virtue of the decree of any court of competent jurisdiction, said fee to be a part of the debt herein secured, and the purchaser at any such sale shall be under no obligation to see to the proper application of the purchase money.

In the event of a sale hereunder, the Mortgagee, or Owner of the debt and Mortgage, or auctioneer, shall execute to the purchaser for and in the name of the undersigned a good and sufficient deed to the property sold.

**3.06. Leases.** Mortgagee, at its option, is authorized to foreclose this Mortgage subject to the rights of any tenants of the Premises, and the failure to make any such tenants parties to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted to be by Mortgagor, a defense to any proceedings instituted by Mortgagee to collect the Indebtedness.

**3.07. Discontinuance of Proceedings.** In case Mortgagee shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry or otherwise, and such proceeding shall have been withdrawn, discontinued or abandoned for any reason, or shall have been determined adversely to Mortgagee, then in every such case (a) Mortgagor and Mortgagee shall be restored to their former positions and rights, (b) all rights, powers and remedies of Lender shall continue as if no such proceedings had been taken, (c) each and every Event of Default declared or occurring prior or subsequent to such withdrawal, discontinuance or abandonment shall, and shall be deemed to, be a continuing Event of Default, and (d) neither this Mortgage, nor the Agreement, nor the Indebtedness, nor any other of the other Loan Documents shall be or shall be deemed to have been reinstated or otherwise affected by such withdrawal, discontinuance or abandonment; and Mortgagor hereby expressly waives the benefit of any statute or rule of law now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with the above.

**3.08. No Reinstatement.** If an Event of Default under Section 3.01(a)(1) shall have occurred and Mortgagee shall have proceeded to enforce any right, power or remedy permitted hereunder, then a tender of payment by Mortgagor or by anyone on behalf of Mortgagor of the amount necessary to satisfy all sums due hereunder made at any time prior to foreclosure, or the acceptance by Mortgagee of any such payment so tendered, shall not constitute a reinstatement of the Note or this Mortgage.

**3.09. Mortgagee May File Proofs of Claim.** In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Mortgagor, its creditors or its property, Mortgagee (to the full extent permitted by law) shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Mortgagee allowed on such proceedings for the entire amount of the Indebtedness at the date of the institution of such proceedings and for any additional amount of the indebtedness after such date.

**3.10. Remedies Cumulative.** No right, power, or remedy conferred upon or reserved to the Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder, or under the Note, any of the other Loan Documents, or now or hereafter existing at law or in equity or by statute.

## ARTICLE IV

### ADDITIONAL PROVISIONS

**4.01. Notices.** All notices permitted or required under this Mortgage or the Note shall be in writing, and shall be personally delivered, or sent by registered or certified mail, postage prepaid, and addressed to the addressee, at the address set forth above or at such other address as the addressee may designate in writing from time to time. A copy of any notice sent to Mortgagor shall also be sent to:

NFI NEW STONE LLC  
Attn: Executive Director  
3409 Venona Avenue  
Huntsville, AL 35810

**4.02. Amendment.** This Mortgage cannot be changed or amended except by agreement in writing signed by the party against whom enforcement of the change is sought.

**4.03. Parties Bound.** This Mortgage shall be binding on and inure to the benefit of the parties and their respective heirs, personal representatives, successors, and assigns. For purposes of this Mortgage, as well as the other Loan Documents, the neuter gender shall include the masculine and the feminine, the singular shall include the plural, and the plural shall include the singular, as the context may require.

**4.04. Governing Law.** This Agreement and the rights and obligations of the parties hereunder shall in all respects be governed by, and construed, and enforced in accordance with the laws of the State of Alabama, except to the extent preempted by federal laws.

**4.05. Consent to Jurisdiction; Waiver of Jury Trial.** Mortgagor irrevocably (a) waives its right to a jury trial for any controversy arising out of this Mortgage or any transaction described herein; (b) submits to the jurisdiction of the Circuit Court of Madison County, Alabama, over any suit, action or proceeding arising out of or relating to this Mortgage; and (c) waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the 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. Final judgment in any such suit, action or proceeding brought in any such court shall be conclusive and binding upon Mortgagor and may be enforced in any court to the jurisdiction of which Mortgagor is subject, by a suit upon such judgment, provided that service of process is effected upon Mortgagor in one of the manners specified in this Section or as otherwise permitted by law. Mortgagor hereby consents to process being served in any suit, action or proceeding of the nature referred to in this Section by (i) the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to Mortgagor at its address designated in this Mortgage and (ii) serving a copy thereof upon the agent, if any, designated and appointed by Mortgagor as its agent for service of process by or pursuant to this Section. Mortgagor irrevocably agrees that such service (A) shall be deemed in every

respect effective service of process upon Mortgagor in any such suit, action or proceeding and (B) shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon Mortgagor. Nothing in this Section shall affect the right of Mortgagee to serve process in any manner otherwise permitted by law or limit the right of Mortgagee otherwise to bring proceedings against Mortgagor in the courts of any jurisdiction or jurisdictions.

**4.06. Interest Rate.** Notwithstanding any provision contained in this Mortgage or in the Note, the Mortgagor's liability for interest shall not exceed the limits now imposed by the applicable usury law. If any clause in the Note or this Mortgage requires interest payments in excess of the highest rate permitted by the applicable usury law, the clause in question shall be deemed to require payment at the highest interest rate allowed by the applicable usury law.

**4.07. Captions.** The captions preceding the text of the paragraphs or subparagraphs of this Mortgage are inserted only for convenience of reference and shall not constitute a part of this Mortgage, nor shall they in any way affect its meaning, construction, or effect.

**4.08. Financial Statements.** As long as the debt secured by this Mortgage remains unpaid in whole or in part, the Mortgagor covenants to furnish each year to the Mortgagee such financial statements as required by the Agreement.

**4.09. Waiver.** The Mortgagor agrees that no delay or failure of the Mortgagee to exercise any waiver option to declare the maturity of any debt secured by this Mortgage shall be taken or deemed as a waiver of its right to exercise such option, or to declare such forfeiture, either as to any past or present default.

**4.10. Invalid Provisions to Affect No Others.** In case any one or more of the covenants, agreements, terms or provisions contained in this Mortgage, in the Note, or in any of the other Loan Documents shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein, and in the Note and in the other Loan Documents shall be in no way affected, prejudiced or disturbed thereby.

**4.11. Conflict in Loan Documents.** In the event of conflict in the terms of any provision in this Mortgage, the Note, or any of the other Loan Documents, the terms of the provision most favorable to the Mortgagee shall apply.

**4.12. Loan Documents.** Wherever reference is made herein to this Mortgage, the Note, or the other Loan Documents, such reference shall include all renewals, extensions, modifications and refinancing's thereof.

**4.13. Definitions.** Any capitalized term not defined in the Mortgage shall be assigned the meaning defined elsewhere in the Loan Documents.

**4.14. Future Advances, Revolving and Open-End Loans, and Other Debts.** It is expressly understood that this Mortgage is intended to and does secure not only the Loan, but also future advances and any and all Other Indebtedness, being defined as any and all obligations and liabilities, direct or contingent, of the Mortgagor to the Mortgagee, whether now existing or hereafter arising, and any and all extensions, renewals, modifications and refinancing of same, or any part thereof, existing at any time before actual cancellation of this instrument on the probate records of the county or counties where the Mortgaged Property is located, and whether the same be evidenced by note, open account, assignment, endorsement,

guaranty, pledge or otherwise. The Loan and the Other Indebtedness may, if provided in the applicable loan instruments, provide for revolving or open-end loans and advances, all of which shall be secured by this Mortgage.

**4.15. Subordination.** The rights and remedies of the holder of this instrument, and his or her executors, successors and assigns, as the case may be, under this instrument are subject to the terms and conditions of that certain Subordination and Standstill Agreement dated April 28, 2026.

**IN TESTIMONY WHEREOF**, Mortgagor has caused this instrument to be executed on its behalf by its duly authorized officers on the day and year first above written.

The terms and conditions of the Agreement, adopted and approved by the Huntsville City Council pursuant to Resolution No. 26-\_\_\_\_ are incorporated herein as fully and to the same extent as though fully set forth therein.

[Signature pages to follow.]

Mortgagor:

**NEW STONE COMMONS LLC**

an Alabama limited liability company

By: NCI New Stone LLC

Its: Managing Member

By: Neighborhood Concepts, Inc.

an Alabama non-profit corporation

Its: Sole Member

By: \_\_\_\_\_  
Mary Ellen Judah  
Its Executive Director

Date: \_\_\_\_\_

**NFI NEW STONE LLC**

an Alabama limited liability company

Its: Member

By: New Futures, Inc.

an Alabama non-profit corporation

Its: Sole Member and Manager

By: \_\_\_\_\_  
Tayna Rains  
Its Executive Director

Date: \_\_\_\_\_

STATE OF ALABAMA )

COUNTY OF MADISON )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Mary Ellen Judah, whose name as Executive Director of Neighborhood Concepts, Inc. as the sole member of NCI New Stone LLC, an Alabama limited liability company, as the Managing Member of **NEW STONE COMMONS LLC**, an Alabama limited liability company, is signed to the foregoing mortgage, and who is known to me, acknowledged before me on this day that, being informed of the contents of such mortgage, she as such officer and with full authority to act on behalf of said entity, executed the same voluntarily for and as the act of said entity in its capacity as the sole member of NCI New Stone LLC, an Alabama limited liability company, in its capacity as the Managing Member of **NEW STONE COMMONS LLC**, an Alabama limited liability company.

Given under my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_  
Notary Public

STATE OF ALABAMA )

COUNTY OF MADISON )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Tayna Rains, whose name as Executive Director of New Futures, Inc. as the sole member and manager of NFI New Stone LLC, an Alabama limited liability company, as a Member of **NEW STONE COMMONS LLC**, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such promissory note, she as such officer and with full authority to act on behalf of said entity, executed the same voluntarily for and as the act of said entity in its capacity as the sole member of NCI New Stone LLC, an Alabama limited liability company, in its capacity as the managing member of **NEW STONE COMMONS LLC**, an Alabama limited liability company.

Given under my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_  
Notary Public

**EXHIBIT A  
TO MORTGAGE AND SECURITY AGREEMENT**

**Legal Description**

Lot 1, according to the plat of New Stone Commons as recorded in the Office of the Judge of Probate of Madison County, Alabama in Plat Book 2025, Pages 249-250 situated in Section 23, Township 3 South, Range 1 West, of the Huntsville Meridian, Madison County, Alabama {BEARINGS AND/OR DISTANCES referenced to the Alabama State Plane Coordinate System, East Zone, NAD83(2011)} and being more particularly described as follows:

Commencing at a found 5/8" rebar marking the southwest corner of Lot 33, Block 5, Glen Park Subdivision Third Addition, as recorded in Plat Book 3, Page 108 and being further described as lying on the north right-of-way of Venona Avenue; thence run 94.04 feet along the east right-of-way of said Venona Avenue and a curve to the right, having a radius of 102.25 feet, a delta angle of 52 degrees 41 minutes 51 seconds, and a chord bearing and distance of North 69 degrees 20 minutes 40 seconds West 90.76 feet to a found 1.5" crimp iron; thence run North 42 degrees 55 minutes 54 seconds West 99.90 feet along the east right-of-way of said Venona Avenue to a found 1" crimp iron; thence run 105.85 feet along the east right-of-way of said Venona Avenue and a curve to the right, having a radius of 156.71 feet, a delta angle of 38 degrees 42 minutes 01 seconds, and a chord bearing and distance of North 24 degrees 18 minutes 24 seconds West 103.85 feet to a found 1" crimp iron; thence run North 05 degrees 42 minutes 03 seconds West 341.27 feet along the east right-of-way of said Venona Avenue to the Point of Beginning; thence run North 05 degrees 42 minutes 03 seconds West 363.19 feet along the east right-of-way of said Venona Avenue to a found 1/2" rebar; thence run North 84 degrees 16 minutes 52 seconds East 120.08 feet to a found 5/8" rebar; thence run South 05 degrees 26 minutes 57 seconds East 60.05 feet to a found 1" crimp iron; thence run North 83 degrees 49 minutes 58 seconds East 120.02 feet to a found 5/8" rebar; thence run South 70 degrees 22 minutes 17 seconds East 56.17 feet to a found 5/8" rebar; thence run North 84 degrees 12 minutes 01 second East 119.79 feet to a found capped rebar; thence run South 05 degrees 40 minutes 34 seconds East 280.33 feet; thence run South 84 degrees 17 minutes 57 seconds West 410.28 back to the Point of Beginning. Said lot contains 2.947 acres (128,356 sq. ft.) more or less.

PIN: 134367

PARCEL: 14-06-23-1-001-063.000

**EXHIBIT G  
TO AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA  
AND NEW STONE COMMONS LLC  
FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN  
PROGRAM FUNDS**

**Declaration of Land Use Restrictive Covenants  
for Huntsville, Alabama  
HOME Investment Partnerships-American Rescue  
Plan Program**

STATE OF ALABAMA

COUNTY OF MADISON

THIS INSTRUMENT WAS PREPARED BY:

T. Michael Brown  
Bradley Arant Boult Cummings LLLP  
Birmingham, Alabama 35203

DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR  
CITY OF HUNTSVILLE, ALABAMA HOME INVESTMENT PARTNERSHIPS-  
AMERICAN RESCUE PLAN PROGRAM

THIS DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR CITY OF HUNTSVILLE, ALABAMA HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN PROGRAM, dated as of April 23, 2026, by and between New Stone Commons LLC, an Alabama limited liability company (“OWNER”) and the City of Huntsville, Alabama, a municipal corporation (“City”), joined in by United Bank (collectively the "Mortgagees"). Certain capitalized terms are defined in Section 1 of this Declaration.

WITNESSETH

WHEREAS, the OWNER is the owner of that certain real property located in the City of Huntsville, Madison County, Alabama, more particularly described in Exhibit A attached hereto (the “Property”); and

WHEREAS the OWNER is or shall be the OWNER of that specific affordable multi-family development located or to be located on the Property and known as or to be known as New Stone Commons (the “Project”); and

WHEREAS, the OWNER has represented to the City in the Application that the OWNER shall lease the Units in the Project to HOME-ARP Tenants as indicated in Section 4 of this Declaration; and

WHEREAS, the OWNER agrees to maintain the HOME Investment Partnerships-American Rescue Plan (HOME-ARP) Program occupancy and rent restrictions for the Compliance Period; and

WHEREAS, the HOME-ARP Program requires that the OWNER and the City execute, deliver and record this Declaration in the real estate records of the Probate Office of the county in which the Project is located in order to create certain covenants running with the Project for the purpose of enforcing the requirements of the HOME-ARP Program and the Project Occupancy Restriction by regulating and restricting the use, occupancy and transfer of the Project as set forth herein; and

WHEREAS, the OWNER, by this Declaration, intends, declares and covenants that the restrictive covenants set forth herein governing the use, occupancy and transfer of the Project shall be and are covenants running with the Property and the Project for the Declaration Term and are binding upon all subsequent Owners of the Property or the Project for such term, and are not merely personal covenants of the OWNER; and

WHEREAS, Mortgagees join in this Declaration for the purpose of acknowledging the restrictions and covenants herein and the requirements of the HOME-ARP Program; and

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### SECTION 1 - DEFINITIONS

The following terms shall be defined as follows:

- a) "Application" means OWNER's HOME Investment Partnerships-American Rescue Plan Program Application to the City of Huntsville, Alabama dated March 19, 2024.
- b) "Building" means any building that is or is to be part of the Project.
- c) "City" means the City of Huntsville, Alabama, a municipal corporation, and any successor to its function.
- d) "Completion of the Project" means the date of issuance of both the permanent certificate(s) of occupancy for the entire Project and certificates from the OWNER's architect that the Project has been built to code and according to the plans, drawings, and specifications which are approved in writing by the City.
- e) "Compliance Period" means the minimum 15-year period commencing at the time that the HOME-ARP Assisted Units are first occupied by HOME-ARP Tenants as defined under HOME-ARP Requirements and Section 4 of this Declaration.
- f) "Declaration" means this Declaration of Land Use Restrictive Covenants for City of Huntsville, Alabama HOME Investment Partnerships-American Rescue Plan Program as from time to time amended, restated or supplemented.
- g) "Declaration Term" means the term of this Declaration, namely, the Compliance Period.
- h) "HOME-ARP Assisted Unit" means the Project's forty-two (42) units to which HOME-ARP Program funds were expended at any time during the Compliance Period and includes all Units that must be leased to eligible occupants to satisfy the Project Occupancy

Restriction as outlined in Section 4 of this Declaration.

i) "HOME-ARP Program" means the federal housing program, HOME Investment Partnerships Program, created by Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as from time to time amended, and applicable regulations including, without limitation 24 CFR Parts 58 and 92, and all amendments thereto and section 3205 of the American Rescue Plan Act of 2021 and applicable requirements outlined in CPD Notice 21-10, "Requirements for the Use of Funds in the HOME-American Rescue Plan Program" and any additional guidance provided by HUD.

j) "HOME-ARP Requirements" means applicable requirements outlined in CPD Notice 21-10, "Requirements for the Use of Funds in the HOME-American Rescue Plan Program" and any additional guidance provided by HUD.

k) "HOME-ARP Tenant" means a household of individuals and families that meet the definition of one or more of the qualifying populations described in Section IV.A. of CPD Notice 21-10, "Requirements for the Use of Funds in the HOME-American Rescue Plan Program" or the definition of low-income households described in 24 CFR 92.2 and has a fully executed lease for a HOME-ARP Assisted Unit at the Project.

l) "HUD" means the United States Department of Housing and Urban Development and any successor thereto.

m) "Low-Income Households" means households whose annual incomes do not exceed 80 percent of the median income for the area, as determined by HUD and as further defined in 24 CFR 92.2 and is eligible to receive assistance or services funded through HOME-ARP.

n) "OWNER" means New Stone Commons LLC, an Alabama limited liability company, and any person now or hereafter owning any interest (other than solely as a creditor) in the Project or any portion thereof.

o) "Project" means the affordable multi-family development located or to be located on the Property, known as or to be known as New Stone Commons, including the Buildings and improvements constructed on the Property.

p) "Project Occupancy Restriction" means the obligation of the OWNER to restrict occupancy of the Units in the Project to satisfy Section 4 of this Declaration.

q) "Project Rent Restriction " means the obligation of the OWNER that rents charged HOME-ARP Tenants in HOME-ARP Assisted Units shall not exceed the maximum rent that may be imposed on occupancy of such Unit, pursuant to HOME-ARP Requirements and 24 CFR Section 92.252.

r) "Property" means the certain tract of land in the City of Huntsville, County of Madison, State of Alabama, more particularly described in Exhibit A hereto.

s) "Qualifying Populations" means any individual or family who meets the criteria of one of more of the specific populations as described in Section IV.A. of CPD Notice 21-10, "Requirements for the Use of Funds in the HOME-American Rescue Plan Program" and is eligible to receive assistance or services funded through HOME-ARP without meeting additional criteria.

t) "Transfer", and any derivation thereof, includes a sale or exchange other than a technical assignment of title pursuant to a mortgage (but a foreclosure of a mortgage is a "transfer").

u) "Unit" means a residential apartment unit/single household home of the Project as determined in accordance with the HOME-ARP Program.

All words and phrases defined in the HOME Investment Partnerships-American Rescue Plan Program and HUD regulations pertaining thereto and/or promulgated thereunder shall have the same meanings in this Declaration.

## SECTION 2 - RECORDING AND FILING; COVENANTS TO RUN WITH THE PROPERTY

a) Upon execution and delivery by the parties hereto, the OWNER shall cause this Declaration and all amendments hereto to be recorded and filed in the real estate records in the Probate Office of the county in which the Property is located and shall pay all fees and charges incurred in connection therewith. Prior to recording, the OWNER shall provide the City with an executed copy of this Declaration. Upon recording, the OWNER shall provide the City with the executed original of the recorded Declaration showing the Probate Office's time and date stamp and all pertinent recording data.

b) The covenants contained in this Declaration (i) shall be and are covenants running with the Property, encumbering the Property for the Declaration Term, binding upon the OWNER's successors in title and all subsequent Owners of the Property and operators of the Project or of any part thereof, (ii) are not merely personal covenants of the OWNER, and (iii) shall bind the OWNER and its successors and assigns during the Declaration Term. All parties hereto hereby agree that any and all requirements of the laws of the State of Alabama to be satisfied in order for the provisions of this Declaration to constitute valid, binding and enforceable restrictive covenants running with the Property shall be deemed to be satisfied in full or in the alternative, that an equitable servitude has been created to ensure that these restrictions run with the Property.

c) For the Declaration Term, each and every mortgage, lease, deed or other instrument hereafter executed conveying or encumbering the Property or any portion thereof shall expressly provide that such conveyance and encumbrance is subject to this Declaration, provided, however, the covenants contained herein shall survive and be effective regardless of whether such mortgage,

lease, deed or other instrument hereafter executed conveying or encumbering the Property or any portion thereof provides that such conveyance is subject to this Declaration.

### SECTION 3 - REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE OWNER

The OWNER hereby represents, covenants and warrants to the City as follows:

a) The OWNER is a (i) Limited Liability Company, duly organized, existing and in compliance under the laws of the State of Alabama, and is qualified to transact business under the laws of the State of Alabama, (ii) has the power and authority to own its properties and assets and to carry on its business as now being conducted, and (iii) has the full legal right, power and authority to execute and deliver this Declaration.

b) The execution, delivery and performance of this Declaration by the OWNER (i) will not violate any provision of law, rule or regulation, or any order of any court or other agency or governmental body and (ii) will not violate any provision of any indenture agreement, mortgage, mortgage note, or other instrument to which the OWNER is a party or by which it or the Project is bound.

c) The OWNER has good and marketable fee simple title to the Property and the covenants imposed on the Property by this Declaration are not inconsistent with the terms of any lien, mortgage, or other encumbrance or restrictive covenant, easement or servitude.

d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the knowledge of the OWNER, threatened against or affecting the OWNER or the Property or the Project, or any of the OWNER's properties or rights, which, if adversely determined, would materially impair the OWNER's right to carry on business substantially as now conducted (and as contemplated by this Declaration) or which would materially and adversely affect its financial condition or which would impair the use of the Property or the Project as contemplated by this Declaration .

e) Throughout the Compliance Period, the Project shall constitute a qualified HOME-ARP Program housing project, as required in Section 4 of this Declaration.

f) Each Unit shall, throughout the Compliance Period, contain complete facilities for living, sleeping, eating, cooking and sanitation which are to be used on other than a transient basis.

g) During the Compliance Period, each HOME-ARP Unit shall be suitable for occupancy and shall be used only other than on a transient basis.

h) The OWNER shall not demolish any part of the Project or substantially subtract from any real or personal property of the Project or permit the use of any Unit for any purpose other than rental housing during the Compliance Period unless required by law.

i) If during the Compliance Period, the Project, or any part thereof, shall be damaged or destroyed or shall be condemned or acquired for public use, the OWNER shall use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction, or to relieve the condemnation, and thereafter to operate the Project in accordance with the terms of this Declaration. If the Buildings or any Units are damaged, destroyed, acquired for public use, or condemned and not rebuilt, the Project Occupancy Restriction shall be applied to the remaining Units in the Project as though no reduction in the total number of Units had occurred.

j) The OWNER has not executed, and shall not execute, any other agreement with provisions contradictory to, or in opposition to this Declaration. This Declaration is paramount and controlling as to the rights and obligations herein set forth and supersedes any other requirements in conflict herewith.

k) Throughout this Declaration Term, the OWNER shall not evict or terminate the tenancy of a HOME-ARP Tenant other than for good cause or increase gross rent with respect to a HOME-ARP Assisted Unit other than as permitted under the HOME-ARP Program.

#### SECTION 4 – HOME-ARP PROGRAM HOUSING COMMITMENT

In order to satisfy the Project Occupancy Restriction, the OWNER shall assure that from the date of the commencement of the Compliance Period until its expiration:

a) Of the forty-two (42) HOME-ARP Assisted Units in the Project, at a minimum, thirty (30) units shall be leased to households of individuals and families that meet the definition of one or more of the qualifying populations as outlined in Section IV.A of HUD’s CPD Notice 21-10 “Requirements for the Use of Funds in the HOME-ARP Program” at the time of the household’s initial occupancy. The remaining ten (10) units, if not occupied by a qualifying population, shall be leased to low-income households as defined in 24 CFR 92.2. The HOME-ARP Assisted Units are fixed units (not floating units). The HOME-ARP Assisted Units restricted to qualifying populations must be evenly distributed throughout the unit sizes.

b) The determination of the HOME-ARP Tenant’s rental contribution shall be established at initial leasing and at least annually thereafter, based on the examination of the Qualifying Populations or Low-Income Household’s income and the guidelines established by HUD and the HOME-ARP Program.

#### SECTION 5 - ENFORCEMENT OF OCCUPANCY RESTRICTIONS

a) The OWNER shall permit, during normal business hours and upon reasonable notice, any duly authorized representative or designated agent of the City to inspect any books and records of the OWNER regarding the Project with respect to compliance with the occupancy restrictions specified in this Declaration and the incomes of HOME-ARP Tenants.

b) The OWNER shall submit any other information, documents or certifications requested by the City which the City shall deem necessary to substantiate the OWNER's continuing compliance with the provisions of the Project Occupancy Restriction and any other Occupancy Restrictions specified in this Declaration.

#### SECTION 6 - ENFORCEMENT TO HOME-ARP PROGRAM RESTRICTIONS

a) The OWNER covenants that it shall not knowingly take or permit any action that would result in a violation of the requirements of the HOME-ARP Program, or this Declaration. Moreover, OWNER covenants to take any lawful action (including amendment of this Declaration as may be necessary) to comply fully with the HOME-ARP Program, and with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by HUD or other governmental agency from time to time pertaining to OWNER's obligations under the HOME-ARP Program and affecting the Project.

b) The OWNER and the City each acknowledge that the primary purpose for requiring compliance by the OWNER with the restrictions provided in this Declaration is to assure compliance of the Project and the OWNER with the HOME-ARP Program, AND BY REASONS THEREOF, THE OWNER IN CONSIDERATION FOR RECEIVING FUNDING UNDER THE HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN PROGRAM FOR THIS PROJECT HEREBY AGREES AND CONSENTS THAT THE CITY SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY THE OWNER OF ITS OBLIGATIONS UNDER THIS DECLARATION IN A STATE OR FEDERAL COURT OF COMPETENT JURISDICTION. The OWNER hereby further specifically acknowledges that the beneficiaries of the OWNER's obligations hereunder cannot be adequately compensated by monetary damages in the event of any default hereunder.

c) The OWNER hereby agrees that the representations and covenants set forth herein may be relied upon by the City and all persons interested in Project compliance under the HOME-ARP Program and this Declaration.

#### SECTION 7 - MISCELLANEOUS

a) Severability. The invalidity of any clause, part or provision of this Declaration shall not affect the validity of the remaining portions thereof.

b) Notices. All notices to be given pursuant to this Declaration shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

TO THE CITY

City of Huntsville, Alabama  
Community Development Department  
P.O. Box 308  
Huntsville, AL 35804

TO THE OWNER

New Stone Commons LLC  
Attn: Managing Member  
2806 6<sup>th</sup> St SW  
Huntsville, AL 35805

WITH A COPY TO

NFI NEW STONE LLC  
Attn: Executive Director  
3409 Venona Avenue  
Huntsville, AL 35810

WITH A COPY TO LENDER

United Bank  
Attention: Joseph D. Raines  
200 East Nashville Avenue  
Post Office Box 8  
Atmore, Alabama 36504

The City and OWNER may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

c) Amendment. The OWNER agrees that it shall take all actions necessary to effect amendment of this Declaration as may be necessary to comply with the HOME-ARP Program and any and all applicable rules, regulations, policies, procedures, and rulings or other official statements pertaining to the HOME-ARP Program.

d) Governing Law. This Declaration shall be governed by the laws of the State of Alabama and, where applicable, the laws of the United States of America.

e) Survival of Obligations. The obligations of the OWNER as set forth herein and, in the Application, shall survive the funding of the HOME-ARP Program loan and shall not be deemed to terminate or merge with the funding of the loan.

f) Recovery of Attorney's Fees. If the City shall incur legal fees or other expenses in enforcing its rights and/or remedies, or the OWNER's obligations, under this Declaration, the OWNER shall reimburse the City for those fees and other expenses within ten (10) days of receipt of written demand therefor.

g) Successors and Assigns. This Declaration shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

h) Construction. This Declaration shall be construed and enforced to preserve the purposes of the HOME-ARP Program.

i) Other Declaration. This Declaration is in addition to, and is not in lieu of, any other declaration of restrictive covenants (the "Other Declaration") which the OWNER may have heretofore executed, or may simultaneously herewith or hereafter execute, with respect to the Project. The OWNER must abide by this Declaration and by the Other Declaration, if any, each of which stands on its own.

IN WITNESS WHEREOF, the parties have caused this Declaration to be signed by their respective duly authorized representatives, as of the day and year first written above.

[Signature pages to follow.]

NEW STONE COMMONS LLC  
an Alabama limited liability company

By: NCI NEW STONE LLC  
an Alabama limited liability company  
Its Managing Member

By: Neighborhood Concepts, Inc.  
an Alabama nonprofit corporation  
Its Sole Member and Manager

By: \_\_\_\_\_  
Mary Ellen Judah  
Its Executive Director

By: NFI NEW STONE LLC  
an Alabama limited liability company  
Its: Member

By: New Futures, Inc.  
an Alabama non-profit corporation  
Its: Sole Member and Manager

By: \_\_\_\_\_  
Tayna Rains  
Its Executive Director

CITY OF HUNTSVILLE, ALABAMA

By: \_\_\_\_\_  
Tommy Battle  
Its: Mayor

UNITED BANK

By: \_\_\_\_\_  
Kristina Stone  
Its: Vice President

STATE OF ALABAMA        )

COUNTY OF MADISON        )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Mary Ellen Judah, whose name as Executive Director of Neighborhood Concepts, Inc. as the sole member and manager of NCI New Stone LLC, an Alabama limited liability company, as the Managing Member of NEW STONE COMMONS LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such promissory note, she as such officer and with full authority to act on behalf of said entity, executed the same voluntarily for and as the act of said entity in its capacity as the sole member of NCI New Stone LLC, an Alabama limited liability company, in its capacity as the managing member of NEW STONE COMMONS LLC, an Alabama limited liability company.

Given under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_  
Notary Public

STATE OF ALABAMA        )

COUNTY OF MADISON        )

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Tayna Rains, whose name as Executive Director of New Futures, Inc. as the sole member and manager of NFI New Stone LLC, an Alabama limited liability company, as a Member of NEW STONE COMMONS LLC, an Alabama limited liability company, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of such promissory note, she as such officer and with full authority to act on behalf of said entity, executed the same voluntarily for and as the act of said entity in its capacity as the sole member of NCI New Stone LLC, an Alabama limited liability company, in its capacity as the managing member of NEW STONE COMMONS LLC, an Alabama limited liability company.

Given under my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_  
Notary Public

STATE OF ALABAMA )

COUNTY OF MADISON )

I, the undersigned, a Notary public in and for said County in said State, hereby certify that Tommy Battle whose name as Mayor of City of Huntsville, Alabama, a public corporation, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, (s)he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, on the day the same bears date.

Given under my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_  
Notary Public

STATE OF ALABAMA )

COUNTY OF MOBILE )

I, the undersigned, a Notary public in and for said County in said State, hereby certify that Kristina Stone whose name as Vice President of United Bank, is signed to the foregoing instrument, and who is known to me, acknowledged before me on this day that, being informed of the contents of the instrument, (s)he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation, on the day the same bears date.

Given under my hand and official seal this \_\_\_\_ day of \_\_\_\_\_, 2026.

(SEAL)

\_\_\_\_\_  
Notary Public

**EXHIBIT A**  
**TO DECLARATION OF LAND USE RESTRICTIVE COVENANTS FOR**  
**CITY OF HUNTSVILLE, ALABAMA HOME INVESTMENT PARTNERSHIPS-**  
**AMERICAN RESCUE PLAN PROGRAM**

**Legal Description of HOME-ARP Assisted Property**

Lot 1, according to the plat of New Stone Commons as recorded in the Office of the Judge of Probate of Madison County, Alabama in Plat Book 2025, Pages 249-250 situated in Section 23, Township 3 South, Range 1 West, of the Huntsville Meridian, Madison County, Alabama {BEARINGS AND/OR DISTANCES referenced to the Alabama State Plane Coordinate System, East Zone, NAD83(2011)} and being more particularly described as follows:

Commencing at a found 5/8" rebar marking the southwest corner of Lot 33, Block 5, Glen Park Subdivision Third Addition, as recorded in Plat Book 3, Page 108 and being further described as lying on the north right-of-way of Venona Avenue; thence run 94.04 feet along the east right-of-way of said Venona Avenue and a curve to the right, having a radius of 102.25 feet, a delta angle of 52 degrees 41 minutes 51 seconds, and a chord bearing and distance of North 69 degrees 20 minutes 40 seconds West 90.76 feet to a found 1.5" crimp iron; thence run North 42 degrees 55 minutes 54 seconds West 99.90 feet along the east right-of-way of said Venona Avenue to a found 1" crimp iron; thence run 105.85 feet along the east right-of-way of said Venona Avenue and a curve to the right, having a radius of 156.71 feet, a delta angle of 38 degrees 42 minutes 01 seconds, and a chord bearing and distance of North 24 degrees 18 minutes 24 seconds West 103.85 feet to a found 1" crimp iron; thence run North 05 degrees 42 minutes 03 seconds West 341.27 feet along the east right-of-way of said Venona Avenue to the Point of Beginning; thence run North 05 degrees 42 minutes 03 seconds West 363.19 feet along the east right-of-way of said Venona Avenue to a found 1/2" rebar; thence run North 84 degrees 16 minutes 52 seconds East 120.08 feet to a found 5/8" rebar; thence run South 05 degrees 26 minutes 57 seconds East 60.05 feet to a found 1" crimp iron; thence run North 83 degrees 49 minutes 58 seconds East 120.02 feet to a found 5/8" rebar; thence run South 70 degrees 22 minutes 17 seconds East 56.17 feet to a found 5/8" rebar; thence run North 84 degrees 12 minutes 01 second East 119.79 feet to a found capped rebar; thence run South 05 degrees 40 minutes 34 seconds East 280.33 feet; thence run South 84 degrees 17 minutes 57 seconds West 410.28 back to the Point of Beginning.

Said lot contains 2.947 acres (128,356 sq. ft.) more or less.

PIN: 134367

PARCEL: 14-06-23-1-001-063.000

**EXHIBIT H**  
**TO AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA**  
**AND NEW STONE COMMONS LLC**  
**FOR HOME INVESTMENT PARTNERSHIPS-AMERICAN RESCUE PLAN**  
**PROGRAM FUNDS**

**SUBORDINATION AND STANDSTILL AGREEMENT**

Prepared by, and after  
Recording, return to:  
Kelly B. Lewis and Brandon D. Hughey  
Jones Walker LLP  
420 20<sup>th</sup> Street North, Suite 1100  
Birmingham, Alabama 35203  
(205) 244-5400

## **SUBORDINATION AND STANDSTILL AGREEMENT**

This Subordination and Standstill Agreement (this “Agreement”) is entered as of April 28, 2026, by and among United Bank, an Alabama banking corporation (the “Senior Lender”), City of Huntsville, Alabama (the “Subordinate Lender”), and New Stone Commons LLC, an Alabama limited liability company (the “Company”).

### **RECITALS**

**WHEREAS**, the Senior Lender has made or is making a loan (the “Construction Mortgage Loan”) to the Company in the original principal amount of \$11,200,000 pursuant to the terms of a Credit Agreement between the Company and the Senior Lender dated as of April 28, 2026 (the “Credit Agreement”). The Construction Mortgage Loan is secured by a first mortgage lien (the “Construction Mortgage”) on a multifamily housing project located in Huntsville, Madison County, Alabama (the “Property”). The Property is more fully described in Exhibit A attached hereto. The Company’s obligation to repay the Construction Mortgage Loan is evidenced by a Promissory Note dated as of April 28, 2026 (the “Construction Mortgage Loan Note”) and is due in full on October 28, 2028; and

**WHEREAS**, the Company has requested the Senior Lender to permit the Subordinate Lender to make a subordinate loan to Company in the amount of \$2,303,835 (the “Subordinate Loan”) and to secure the Subordinate Loan by, among other things, placing a mortgage lien against the Property; and

**WHEREAS**, the Senior Lender has agreed to permit the Subordinate Lender to make the Subordinate Loan and to place a subordinate mortgage lien against the Property subject to all of the conditions contained in this Agreement.

**NOW, THEREFORE**, in order to induce the Senior Lender to permit the Subordinate Lender to make the Subordinate Loan to the Company and to place a subordinate mortgage lien against the Property, and in consideration thereof, the Senior Lender, the Subordinate Lender and the Company agree as follows:

### **ARTICLE I** **DEFINITIONS**

In addition to the terms defined in the Recitals to this Agreement, for purposes of this Agreement the following terms have the respective meanings set forth below:

**Affiliate** means, when used with respect to a Person, any corporation, partnership, joint venture, limited liability company, limited liability partnership, trust or individual controlled by, under common control with, or which controls such Person (the term “control” for these purposes shall mean the ability, whether by the ownership of shares or other equity interests, by contract or otherwise, to elect a majority of the directors of a

corporation, to make management decisions on behalf of, or independently to select the managing partner of, a partnership, or otherwise to have the power independently to remove and then select a majority of those individuals exercising managerial authority over an entity, and control shall be conclusively presumed in the case of the ownership of 50% or more of the equity interests).

**Business Day** means any day other than Saturday, Sunday or a day on which the Senior Lender is not open for business.

**Company** means the Person named as such in the first paragraph of this Agreement and any other Person (other than the Senior Lender) who acquires title to the Property after the date of this Agreement.

**Construction Mortgage Loan Default** means the occurrence of a default by the Company in performing or observing any of the terms, covenants or conditions in the Financing Documents to be performed or observed by it, which continues beyond any applicable cure period provided in the Financing Documents for curing the default.

**Default Notice** means: (a) a copy of the written notice from the Senior Lender to the Company stating that a Construction Mortgage Loan Default has occurred under the Construction Mortgage Loan; or (b) a copy of the written notice from the Subordinate Lender to the Company stating that a Subordinate Loan Default has occurred under the Subordinate Loan. Each Default Notice shall specify the default upon which such Default Notice is based.

**Financing Documents** means the Credit Agreement, Construction Mortgage Loan Note, Construction Mortgage and all other documents evidencing, securing or otherwise executed and delivered in connection with the Construction Mortgage Loan, including those identified on Exhibit B hereto.

**Person** means an individual, estate, trust, partnership, corporation, limited liability company, limited liability partnership, governmental department or agency or any other entity which has the legal capacity to own property.

**Senior Lender** means the Person named as such in the first paragraph on page 1 of this Agreement.

**Subordinate Lender** means the Person named as such in the first paragraph on page 1 of this Agreement and any other Person who becomes the legal holder of the Subordinate Note after the date of this Agreement.

**Subordinate Loan Default** means a default by the Company in performing or observing any of the terms, covenants or conditions in the Subordinate Loan Documents to be performed or observed by it, which continues beyond any applicable period provided in the Subordinate Loan Documents for curing the default.

**Subordinate Loan Documents** means the Subordinate Note, the Subordinate Mortgage, and all other documents evidencing, securing or otherwise executed and delivered in connection with the Subordinate Loan.

**Subordinate Mortgage** means the mortgage or deed of trust encumbering the Property as security for the Subordinate Loan, which the Subordinate Lender will cause to be recorded among the applicable land records immediately before this Agreement.

**Subordinate Note** means the promissory note of even date herewith issued by the Company to the Subordinate Lender, or order, to evidence the Subordinate Loan.

**ARTICLE II**  
**PERMISSION TO PLACE MORTGAGE LIEN AGAINST PROPERTY**

The Senior Lender agrees, notwithstanding the prohibition against inferior liens on the Property contained in the Financing Documents and subject to the provisions of this Agreement, to permit the Subordinate Lender to record the Subordinate Mortgage and other recordable Subordinate Loan Documents against the Property (which are subordinate in all respects to the lien of the Construction Mortgage) to secure the Company's obligation to repay the Subordinate Note and all other obligations, indebtedness and liabilities of the Company to the Subordinate Lender under and in connection with the Subordinate Loan. Such permission is subject to the condition that each of the representations and warranties made by the Company and the Subordinate Lender in Section 3 is true and correct on the date of this Agreement and on the date on which the proceeds of the Subordinate Loan are disbursed to the Company. If any of the representations and warranties made by the Company and the Subordinate Lender in Section 3 are not true and correct on both of those dates, the provisions of the Financing Documents applicable to unpermitted liens on the Property shall apply.

**ARTICLE III**  
**COMPANY'S AND SUBORDINATE LENDER'S REPRESENTATIONS AND WARRANTIES**

The Company and the Subordinate Lender each makes the following representations and warranties to the Senior Lender:

- (a) Subordinate Note. The Subordinate Note contains the following provision:

The indebtedness evidenced by this Note (the "Subordinate Note") is and shall be subordinate in right of payment to the prior payment in full of the indebtedness evidenced by the Promissory Note of even date herewith in the original principal amount of \$11,200,000 (the "Senior Note") issued by New Stone Commons LLC and payable to United Bank ("Senior Lender"), or order, to the extent and in the manner provided in that certain Subordination and Standstill Agreement of even date herewith between the payee of this Subordinate Note, and the Senior Lender and New Stone Commons LLC (the "Subordination and Standstill Agreement"). The Subordinate Mortgage securing this Subordinate Note is and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the mortgage securing the Senior Note as more fully set forth in the Subordination and Standstill Agreement. The rights and remedies of the payee and each subsequent holder of this Subordinate Note under the mortgage securing this Subordinate Note are subject to the restrictions and limitations set forth in the Subordination and Standstill Agreement. Each subsequent holder of this Subordinate Note shall be deemed, by virtue of such holder's acquisition of the Subordinate Note, to have agreed to perform and observe all of the terms, covenants and conditions to be performed or observed by the Subordinate Lender under the Subordination and Standstill Agreement.

(b) Relationship of Company to Subordinate Lender and Senior Lender. The Senior Lender is an Affiliate of the investment member of the Company. The Subordinate Lender is not in possession of any facts which would lead it to believe that the Subordinate Lender is an Affiliate of the Company.

(c) Term. The term of the Subordinate Note does not end before the term of the Construction Mortgage Loan Note.

(d) Subordinate Loan Documents. The executed Subordinate Loan Documents are substantially in the same forms as those submitted to, and approved by, the Senior Lender prior to the date of this Agreement. Upon execution and delivery of the Subordinate Loan Documents, the Company shall deliver to the Senior Lender an executed copy of each of the Subordinate Loan Documents, certified to be true, correct and complete.

## ARTICLE IV TERMS OF SUBORDINATION

(a) Agreement to Subordinate. The Senior Lender and the Subordinate Lender agree that: (i) the indebtedness evidenced by the Subordinate Loan Documents is and shall be subordinated in right of payment, to the extent and in the manner provided in this Subordination Agreement to the prior payment in full of the indebtedness evidenced by the Financing Documents, and (ii) the Subordinate Mortgage and the other Subordinate Loan Documents are and shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the Construction Mortgage and the other Financing Documents and to all advances heretofore made or which may hereafter be made pursuant to the Construction Mortgage and the other Financing Documents (including but not limited to, all sums advanced for the purposes of (1) protecting or further securing the lien of the Construction Mortgage, curing defaults by the Company under the Financing Documents or for any other purpose expressly permitted by the Construction Mortgage, or (2) constructing, renovating, repairing, furnishing, fixturing or equipping the Property).

(b) Subordination of Subrogation Rights. The Subordinate Lender agrees that if, by reason of its payment of real estate taxes or other monetary obligations of the Company, or by reason of its exercise of any other right or remedy under the Subordinate Loan Documents, it acquires by right of subrogation or otherwise a lien on the Property which (but for this subsection) would be senior to the lien of the Construction Mortgage, then, in that event, such lien shall be subject and subordinate to the lien of the Construction Mortgage.

(c) Payments Before Construction Mortgage Loan Default. Until the Subordinate Lender receives a Default Notice of a Construction Mortgage Loan Default from the Senior Lender, the Subordinate Lender shall be entitled to retain for its own account all payments made under or pursuant to the Subordinate Loan Documents.

(d) Payments After Construction Mortgage Loan Default. The Company agrees that, after it receives notice (or otherwise acquires knowledge) of a Construction Mortgage Loan Default, it will not make any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by the Subordinate Mortgage) without the Senior Lender's prior written consent. The Subordinate Lender agrees that, after it receives a Default Notice from the Senior Lender with written instructions directing the Subordinate Lender not to accept payments from the Company on account of the Subordinate Loan, it will not accept any payments under or pursuant to the Subordinate Loan Documents (including but not limited to principal, interest, additional interest, late payment charges, default interest, attorney's fees, or any other sums secured by the Subordinate Mortgage) without the Senior Lender's prior written consent. If the Subordinate Lender receives written notice from the Senior Lender that the Construction Mortgage Loan Default which gave rise to the Subordinate Lender's obligation not to accept payments has been cured, waived, or otherwise suspended by the Senior Lender, the restrictions on payment to the Subordinate Lender in this Section 4 shall terminate, and the Senior Lender shall have no right to any subsequent payments made to the Subordinate Lender by the Company prior to the Subordinate Lender's receipt of a new Default Notice from the Senior Lender in accordance with the provisions of this Section 4(d).

(e) Remitting Subordinate Loan Payments to Senior Lender. If, after the Subordinate Lender receives a Default Notice from the Senior Lender in accordance with subsection (d) above, the Subordinate Lender receives any payments under the Subordinate Loan Documents, the Subordinate Lender agrees that such payment or other distribution will be received and held in trust for the Senior Lender and unless the Senior Lender otherwise notifies the Subordinate Lender in writing, will be promptly remitted, in kind, to the Senior Lender, properly endorsed to the Senior Lender, to be applied to the principal of, interest on and other amounts due under the Financing Documents in accordance with the provisions of the Financing Documents. By executing this Agreement, the Company specifically authorizes the Subordinate Lender to endorse and remit any such payments to the Senior Lender, and specifically waives any and all rights to have such payments returned to the Company or credited against the Subordinate Loan. The Company and the Senior Lender acknowledge and agree that payments received by the Subordinate Lender, and remitted to the Senior Lender under this

Section 4, shall not be applied or otherwise credited against the Subordinate Loan, nor shall the tender of such payment to the Senior Lender waive any Subordinate Loan Default which may arise from the inability of the Subordinate Lender to retain such payment or apply such payment to the Subordinate Loan.

(f) Agreement Not to Commence Bankruptcy Proceeding. The Subordinate Lender agrees that during the term of this Agreement it will not commence, or join with any other creditor in commencing any foreclosure, bankruptcy reorganization, arrangement, insolvency or liquidation proceedings with respect to the Company, without the Senior Lender's prior written consent.

## **ARTICLE V DEFAULT UNDER SUBORDINATE LOAN DOCUMENTS**

(a) Notice of Default. The Subordinate Lender shall deliver to the Senior Lender a Default Notice within five Business Days in each case where the Subordinate Lender has given a Default Notice to the Company.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender. If a Subordinate Loan Default occurs and is continuing, the Subordinate Lender agrees that, without the Senior Lender's prior written consent, it will not commence foreclosure proceedings with respect to the Property under the Subordinate Loan Documents or exercise any other rights or remedies it may have under the Subordinate Loan Documents, including, but not limited to accelerating the Subordinate Loan, collecting rents, appointing (or seeking the appointment of) a receiver or exercising any other rights or remedies thereunder unless and until it has given the Senior Lender at least 60 days' prior written notice.

(c) Cross Default. The Company and the Subordinate Lender agree that a Subordinate Loan Default shall constitute a Construction Mortgage Loan Default under the Financing Documents and the Senior Lender shall have the right to exercise all rights or remedies under the Financing Documents in the same manner as in the case of any other Construction Mortgage Loan Default. If the Subordinate Lender notifies the Senior Lender in writing that any Subordinate Loan Default of which the Senior Lender has received a Default Notice has been cured or waived, as determined by the Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Property pursuant to its rights under the Financing Documents, any Construction Mortgage Loan Default under the Financing Documents arising solely from such Subordinate Loan Default shall be deemed cured, and the Construction Mortgage Loan shall be reinstated, provided, however, that the Senior Lender shall not be required to return or otherwise credit for the benefit of the Company any default rate interest or other default related charges or payments received by the Senior Lender during such Construction Mortgage Loan Default.

## **ARTICLE VI DEFAULT UNDER FINANCING DOCUMENTS**

(a) Notice of Default and Cure Rights. The Senior Lender shall deliver to the Subordinate Lender a Default Notice within five Business Days in each case where the Senior Lender has given a Default Notice to the Company. Failure of the Senior Lender to send a Default Notice to the Subordinate Lender shall not prevent the exercise of the Senior Lender's rights and remedies under the Senior Loan Documents, subject to the provisions of this Agreement. The Subordinate Lender shall have the right, but not the obligation, to cure any such Construction Mortgage Loan Default within 60 days following the date of such notice; provided, however, that the Senior Lender shall be entitled during such 60-day period to continue to pursue its remedies under the Financing Documents. Subordinate Lender may have up to 90 days from the date of the Default Notice to cure a non-monetary default if during such 90-day period Subordinate Lender keeps current all payments required by the Financing Documents. In the event that such a non-monetary default creates an unacceptable level of risk relative to the Property, or Senior Lender's secured position relative to the Property, as determined by Senior Lender in its sole discretion, then Senior Lender may exercise during such 90-day period all available rights and remedies to protect and preserve the Property and the rents, revenues and other proceeds from the Property. All amounts paid by the Subordinate Lender to the Senior Lender to cure a Construction Mortgage Loan Default

shall be deemed to have been advanced by the Subordinate Lender pursuant to, and shall be secured by the lien of, the Subordinate Mortgage.

(b) Cross Default. The Subordinate Lender agrees that, notwithstanding any contrary provision contained in the Subordinate Loan Documents, a Construction Mortgage Loan Default shall not constitute a default under the Subordinate Loan Documents if no other default occurred under the Subordinate Loan Documents until either (i) the Senior Lender has accelerated the maturity of the Construction Mortgage Loan, or (ii) the Senior Lender has taken affirmative action to exercise its rights under the Construction Mortgage to collect rent, to appoint (or seek the appointment of) a receiver or to foreclose on (or to exercise a power of sale contained in) the Construction Mortgage. At any time after a Construction Mortgage Loan Default is determined to constitute a default under the Subordinate Loan Documents, the Subordinate Lender shall be permitted to pursue its remedies for default under the Subordinate Loan Documents, subject to the restrictions and limitations of this Agreement. If at any time the Company cures any Construction Mortgage Loan Default to the satisfaction of the Senior Lender, as evidenced by written notice from the Senior lender to the Subordinate Lender, any default under the Subordinate Loan Documents arising from such Construction Mortgage Loan Default shall be deemed cured and the Subordinate Loan shall be retroactively reinstated as if such Construction Mortgage Loan Default had never occurred.

(c) If ownership of the Project is transferred due to Senior Lender's foreclosure or acceptance of an instrument in lieu of foreclosure, the Senior Lender shall provide the Subordinate Lender with a complete copy of all closing documents within 30 days after the effective date of such transfer, and may request that the Subordinate Loan remain in place and be assigned to the ultimate purchaser of the property from it after the foreclosure or deed in lieu. The Subordinate Lender will cooperate with Senior Lender to assign all documents in connection with the Subordinate Loan to the purchaser of the Project. The Subordinate Lender shall have the right, not to be unreasonably withheld, conditioned or delayed to approve such purchaser.

## **ARTICLE VI CONFLICT**

The Company, the Senior Lender and the Subordinate Lender each agrees that, in the event of any conflict or inconsistency between the terms of the Financing Documents, the Subordinate Loan Documents and the terms of this Agreement, the terms of this Agreement shall govern and control solely as to the following: (a) the relative priority of the security interests of the Senior Lender and the Subordinate Lender in the Property; (b) the timing of the exercise of remedies by the Senior Lender and the Subordinate Lender under the Construction Mortgage and the Subordinate Mortgage, respectively; and (c) solely as between the Senior Lender and the Subordinate Lender, the notice requirements, cure rights, and the other rights and obligations which the Senior Lender and the Subordinate Lender have agreed to as expressly provided in this Agreement. The Company acknowledges that the terms and provisions of this Agreement shall not, and shall not be deemed to (i) extend the Company's time to cure any Construction Mortgage Loan Default or Subordinate Loan Default, as the case may be; (ii) give the Company the right to notice of any Construction Mortgage Loan Default or Subordinate Loan Default, as the case may be other than that, if any, provided, respectively under the Financing Documents or the Subordinate Loan Documents; or (iii) create any other right or benefit for the Company as against the Senior Lender or the Subordinate Lender.

## **ARTICLE VII RIGHTS AND OBLIGATIONS OF THE SUBORDINATE LENDER AND THE SENIOR LENDER**

Subject to each of the other terms of this Agreement, all of the following provisions shall supersede any provisions of the Subordinate Loan Documents covering the same subject matter:

(a) Protection of Security Interest. The Subordinate Lender shall not, without the prior written consent of the Senior Lender in each instance, take any action which has the effect of increasing the indebtedness outstanding under, or secured by, the Subordinate Loan Documents, except that the Subordinate Lender shall

have the right to advance funds to cure Construction Mortgage Loan Defaults pursuant to Section 6(a) above and advance funds pursuant to the Subordinate Mortgage for the purpose of paying real estate taxes and insurance premiums, making necessary repairs to the Property and curing other defaults by the Company under the Subordinate Loan Documents.

(b) Condemnation or Casualty. In the event of: a taking or threatened taking by condemnation or other exercise of eminent domain of all or a portion of the Property (collectively, a “Taking”); or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Property (collectively, a “Casualty”), at any time or times when the Construction Mortgage remains a lien on the Property the following provisions shall apply:

(1) The Subordinate Lender hereby agrees that its rights (under the Subordinate Loan Documents or otherwise) to participate in any proceeding or action relating to a Taking and/or a Casualty, or to participate or join in any settlement of, or to adjust, any claims resulting from a Taking or a Casualty shall be and remain subordinate in all respects to the Senior Lender’s rights under the Financing Documents with respect thereto, and the Subordinate Lender shall be bound by any settlement or adjustment of a claim resulting from a Taking or a Casualty made by the Senior Lender; provided, however, this subsection and/or anything contained in this Agreement shall not limit the rights of the Subordinate Lender to file any pleadings, documents, claims or notices with the appropriate court with jurisdiction over the proposed Taking and/or Casualty; and

(2) all proceeds received or to be received on account of a Taking or a Casualty, or both, shall be applied (either to payment of the costs and expenses of repair and restoration or to payment of the Construction Mortgage Loan) in the manner determined by the Senior Lender in its sole discretion; provided, however, that if the Senior Lender elects to apply such proceeds to payment of the principal of, interest on and other amounts payable under the Construction Mortgage Loan, any proceeds remaining after the satisfaction in full of the principal of, interest on and other amounts payable under the Construction Mortgage Loan shall be paid to, and may be applied by, the Subordinate Lender in accordance with the applicable provisions of the Subordinate Loan Documents, provided however, the Senior Lender agrees to consult with the Subordinate Lender in determining the application of Casualty proceeds, provided further however that in the event of any disagreement between the Senior Lender and the Subordinate Lender over the application of Casualty proceeds, the decision of the Senior Lender, in its sole discretion, shall prevail.

(c) No Modification of Subordinate Loan Documents. The Company and the Subordinate Lender each agrees that, until the principal of, interest on and all other amounts payable under the Financing Documents have been paid in full, it will not, without the prior written consent of the Senior Lender in each instance, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon the Senior Lender under the Financing Documents. Any unauthorized amendment of the Subordinate Loan Documents or assignment of the Subordinate Lender’s interest in the Subordinate Loan without the Senior Lender’s consent shall be void ab initio and of no effect whatsoever.

## **ARTICLE IX MODIFICATION OR REFINANCING OF CONSTRUCTION MORTGAGE LOAN**

The Subordinate Lender consents to any agreement or arrangement in which the Senior Lender waives, postpones, extends, reduces or modifies any provisions of the Financing Documents, including any provision requiring the payment of money. The Subordinate Lender further agrees that its agreement to subordinate hereunder shall extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Construction Mortgage Loan (including reasonable and necessary costs associated with the closing and/or the refinancing); and that all the terms and covenants of this Agreement shall inure to the benefit of any holder of

any such refinanced debt; and that all references to the Construction Mortgage Loan, the Construction Mortgage Loan Note, the Construction Mortgage, the Financing Documents and the Senior Lender shall mean, respectively, the refinance loan, the refinance note, the mortgage securing the refinance note, all documents evidencing securing or otherwise pertaining to the refinance note and the holder of the refinance note.

**ARTICLE X**  
**DEFAULT BY SUBORDINATE LENDER OR SENIOR LENDER**

If the Subordinate Lender or the Senior Lender defaults in performing or observing any of the terms, covenants or conditions to be performed or observed by it under this Agreement, the other, non-defaulting lender shall have the right to all available legal and equitable relief.

**ARTICLE XI**  
**NOTICES**

Each notice, request, demand, consent, approval or other communication (hereinafter in this Section referred to collectively as “notices” and referred to singly as a “notice”) which the Senior Lender or the Subordinate Lender is required or permitted to give to the other party pursuant to this Agreement shall be in writing and shall be deemed to have been duly and sufficiently given if: (a) personally delivered with proof of delivery thereof (any notice so delivered shall be deemed to have been received at the time so delivered); or (b) sent by Federal Express (or other similar national overnight courier) designating early morning delivery (any notice so delivered shall be deemed to have been received on the next Business Day following receipt by the courier); or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any notice so sent shall be deemed to have been received two days after mailing in the United States), addressed to the respective parties as follows:

**SENIOR LENDER:**

United Bank  
200 East Nashville Avenue  
Post Office Box 8  
Atmore, Alabama 36504  
Attention: Joseph D. Raines

With a copy to:

Jones Walker LLP  
420 20th Street North, Suite 1100  
Birmingham, Alabama 35203  
Attention: Kelly R. Lewis and Brandon D. Hughey

**SUBORDINATE LENDER:**

City of Huntsville, Alabama  
Department of Community Development  
P.O. Box 308  
Huntsville, Alabama 35804  
Attention: Scott Erwin

With a copy to:

Bradley Arant Boult Cummings LLLP  
1819 Fifth Avenue North, Suite 200  
Birmingham, Alabama 35203

Attn: T. Michael Brown

COMPANY:

New Stone Commons LLC  
2808 6th Street Southwest  
Huntsville, Alabama 35805  
Attn: Mary Ellen Judah

With a copy to:

Rushton, Stakely, Johnston & Garrett, P.A.  
184 Commerce Street  
Montgomery, Alabama 36104  
Attn: William Eskridge

Either party may, by notice given pursuant to this Section, change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses for its notices, but notice of a change of address shall only be effective upon receipt.

**ARTICLE XII  
GENERAL**

(a) Assignment/Successors. This Agreement shall be binding upon the Company, the Senior Lender and the Subordinate Lender and shall inure to the benefit of the respective legal successors and assigns of the Senior Lender and the Subordinate Lender.

(b) No Partnership or Joint Venture. The Senior Lender's permission for the placement of the Subordinate Loan Documents does not constitute the Senior Lender as a joint venturer or partner of the Subordinate Lender. Neither the Senior Lender nor the Subordinate Lender shall hold itself out as a partner, agent or Affiliate of the other party hereto.

(c) Senior Lender's and Subordinate Lender's Consent. Wherever the Senior Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Senior Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement. Wherever the Subordinate Lender's consent or approval is required by any provision of this Agreement, such consent or approval may be granted or denied by the Subordinate Lender in its sole and absolute discretion, unless otherwise expressly provided in this Agreement.

(d) Further Assurances. The Subordinate Lender, the Senior Lender and the Company each agree, at the Company's expense, to execute and deliver all additional instruments and/or documents reasonably required by any other party to this Agreement in order to evidence that the Subordinate Mortgage is subordinate to the lien, covenants and conditions of the Construction Mortgage, or to further evidence the intent of this Agreement.

(e) Amendment. This Agreement shall not be amended except by written instrument signed by all parties hereto.

(f) Governing Law. This Agreement shall be governed by the laws of the State in which the Property is located.

(g) Severable Provisions. If any provision of this Agreement shall be invalid or unenforceable to any extent, then the other provisions of this Agreement, shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

(h) Term. The term of this Agreement shall commence on the date hereof and shall continue until the earliest to occur of the following events: (i) the payment of all of the principal of, interest on and other amounts payable under the Financing Documents; (ii) the payment of all of the principal of, interest on and other amounts payable under the Subordinate Loan Documents, other than by reason of payments which the Subordinate Lender is obligated to remit to the Senior Lender pursuant to Section 4 hereof; (iii) the acquisition by the Senior Lender of title to the Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in, the Construction Mortgage; or (iv) the acquisition by the Subordinate Lender of title to the Property pursuant to a foreclosure or a deed in lieu of foreclosure of, or the exercise of a power of sale contained in the Subordinate Mortgage, but only if such acquisition of title does not violate any of the terms of this Agreement.

(i) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.







## EXHIBIT A

### LEGAL DESCRIPTION

Lot 1, according to the plat of New Stone Commons as recorded in the Office of the Judge of Probate of Madison County, Alabama in Plat Book 2025, Pages 249-250 situated in Section 23, Township 3 South, Range 1 West, of the Huntsville Meridian, Madison County, Alabama {BEARINGS AND/OR DISTANCES referenced to the Alabama State Plane Coordinate System, East Zone, NAD83(2011)} and being more particularly described as follows:

Commencing at a found 5/8" rebar marking the southwest corner of Lot 33, Block 5, Glen Park Subdivision Third Addition, as recorded in Plat Book 3, Page 108 and being further described as lying on the north right-of-way of Venona Avenue; thence run 94.04 feet along the east right-of-way of said Venona Avenue and a curve to the right, having a radius of 102.25 feet, a delta angle of 52 degrees 41 minutes 51 seconds, and a chord bearing and distance of North 69 degrees 20 minutes 40 seconds West 90.76 feet to a found 1.5" crimp iron; thence run North 42 degrees 55 minutes 54 seconds West 99.90 feet along the east right-of-way of said Venona Avenue to a found 1" crimp iron; thence run 105.85 feet along the east right-of-way of said Venona Avenue and a curve to the right, having a radius of 156.71 feet, a delta angle of 38 degrees 42 minutes 01 seconds, and a chord bearing and distance of North 24 degrees 18 minutes 24 seconds West 103.85 feet to a found 1" crimp iron; thence run North 05 degrees 42 minutes 03 seconds West 341.27 feet along the east right-of-way of said Venona Avenue to the Point of Beginning; thence run North 05 degrees 42 minutes 03 seconds West 363.19 feet along the east right-of-way of said Venona Avenue to a found 1/2" rebar; thence run North 84 degrees 16 minutes 52 seconds East 120.08 feet to a found 5/8" rebar; thence run South 05 degrees 26 minutes 57 seconds East 60.05 feet to a found 1" crimp iron; thence run North 83 degrees 49 minutes 58 seconds East 120.02 feet to a found 5/8" rebar; thence run South 70 degrees 22 minutes 17 seconds East 56.17 feet to a found 5/8" rebar; thence run North 84 degrees 12 minutes 01 second East 119.79 feet to a found capped rebar; thence run South 05 degrees 40 minutes 34 seconds East 280.33 feet; thence run South 84 degrees 17 minutes 57 seconds West 410.28 back to the Point of Beginning.

Said lot contains 2.947 acres (128,356 sq. ft.) more or less.

**EXHIBIT B**  
**FINANCING DOCUMENTS**

The “Financing Documents” referred to in this Subordination and Standstill Agreement include the following:

- (a) Construction Mortgage Loan Note in the maximum principal amount of \$11,200,000 dated as of April 28, 2026, executed by the Company in favor of the Bank.
- (b) [Intentionally Omitted].
- (c) Security Agreement dated as of April 28, 2026, executed by the Company in favor of the Bank.
- (d) Credit Agreement dated as of April 28, 2026, executed by and between the Company and the Bank.
- (e) Future Advance Mortgage and Security Agreement dated as of April 28, 2026, executed by the Company in favor of the Bank.
- (f) Absolute Assignment of Rents and Leases dated as of April 28, 2026, executed by the Company in favor of the Bank.
- (g) Environmental Indemnity Agreement dated as of April 28, 2026, executed by the Company and Neighborhood Concepts, Inc. in favor of the Bank.
- (h) Guaranty Agreement dated as of April 28, 2026, executed by Neighborhood Concepts, Inc. in favor of the Bank.
- (i) Assignment of Limited Liability Company Interests and Security Agreement dated as of April 28, 2026, executed by the Managing Member of the Company.
- (j) Assignment of Limited Liability Company Interests and Security Agreement dated as of April 28, 2026, executed by the Member of the Company
- (k) Waiver and Subordination of Lien and Consent to Assignment (Architect) dated as of April 28, 2026, executed by Schoel Markland Architecture LLC in favor of the Bank.
- (l) Waiver and Subordination of Lien and Consent to Assignment (Contractor) dated as of April 28, 2026, executed by JS Building Company, Inc. in favor of the Bank.
- (m) Waiver and Subordination of Lien and Consent to Assignment (Engineer) dated as of April 28, 2026, executed by Schoel Engineering Company, Inc. in favor of the Bank.
- (n) Subordination Agreement (Development Agreement) dated as of April 28, 2026,, executed by Neighborhood Concepts, Inc. in favor the Bank.
- (o) Subordination Agreement and Affidavit (Property Management Agreement) dated as of April 28, 2026, executed by Foshee Residential Management Company, LLC in favor the Bank.
- (p) General Contractor Certificate dated as of April 28, 2026, executed by JS Building Company, Inc. in favor of the Bank.

(q) Architect Certificate dated as of April 28, 2026, executed by Schoel Markland Architecture LLC in favor of the Bank.

(r) Engineer Certificate dated as of April 28, 2026, executed by Schoel Engineering Company, Inc. in favor of the Bank.

(s) Post-Closing Agreement dated as of April 28, 2026, executed by the Company in favor of the Bank.