



**SAMPSON COUNTY  
BOARD OF COMMISSIONERS  
MEETING AGENDA  
June 11, 2020 - Recessed Meeting**

*This meeting is to be held during the unprecedented event of the COVID-19 pandemic.  
Because the State and the County remain under a State of Emergency,  
the meeting will be conducted via Zoom and broadcast via Facebook Live.*

- 6:00 pm Re-Convene Meeting**  
Invocation and Pledge of Allegiance
- Tab 1 Budget Public Hearings** **1 - 3**
- a. Public Hearing Regarding Proposed Budget for FY 20-21
  - b. Public Hearing Regarding Economic Development Expenditures in Proposed Budget for FY 20-21
- Tab 2 Public Hearing - CDBG** **4 - 5**
- a. Public Hearing Regarding Community Development Needs, Intent to Apply for CDBG-NR Funding
- Tab 3 Actions Related to June 1 Public Hearings**
- a. Proposed Expenditures for Economic Development Purposes - Acquisition of Property **6 - 26**
  - b. Proposed Expenditures for Economic Development Purposes - Consideration of Incentive Agreement **27 - 42**
- Tab 4 Other Action Items**
- a. Re-appointment - DSS Advisory Board **43**
  - b. Approve Budget Amendment, Plain View Fire District **44**
- Adjournment or Recess to Reconvene**

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**SAMPSON COUNTY  
BOARD OF COMMISSIONERS**

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ITEM ABSTRACT

ITEM NO. 1 (a & b)

Meeting Date: June 11, 2020	<input type="checkbox"/>	Information Only	<input checked="" type="checkbox"/>	Public Comment
	<input type="checkbox"/>	Report/Presentation	<input type="checkbox"/>	Closed Session
	<input type="checkbox"/>	Action Item	<input type="checkbox"/>	Planning/Zoning
	<input type="checkbox"/>	Consent Agenda	<input type="checkbox"/>	Water District Issue

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**SUBJECT:** Public Hearings – Proposed Budget for Fiscal Year 2020-2021 and Proposed Economic Development Expenditures in 2020-2021 Budget

**DEPARTMENT:** Finance/ Administration

**PUBLIC HEARING:** Yes – Board will need to convene two separate public hearings

**CONTACT PERSON(S):** Ed Causey, County Manager  
David Clack, Finance Officer

**PURPOSE:** To conduct statutorily required public hearings related to the proposed budget for FY 2020-2021

**ATTACHMENTS:** Public Hearing Notices

**BACKGROUND:**

- a. Public Hearing Regarding the Proposed Budget for FY 2020-2021 In accordance with NC General Statute 159-12(b), we have duly advertised a public hearing to receive public comment on the proposed budget. The Chairman should open the public hearing and call upon the Clerk to share any comments that have been submitted (via US Postal Service or email given the virtual hearing). The hearing should then be closed.
- b. Public Hearing Regarding Economic Development Expenditures in Proposed Budget for FY 2020-2021 Changes in Session Law 2015-277 added the requirement that local governments issue notice and hold a public hearing for *any appropriation* for economic development – not just for those hearings related specifically to incentives. Therefore, in accordance with NC General Statute 158-7.1, we have duly advertised a separate public hearing to receive public comment on those expenditures in the proposed budget specifically related to economic development. The Chairman should open the public hearing and call upon the Clerk to share any comments that have been submitted (via US Postal Service or email given the virtual hearing). The hearing should then be closed.

The Board may wish to offer comments and direction on the proposed budget for staff after hearings are closed.

**RECOMMENDED ACTION OR MOTION:**

Because the hearings are conducted during a remote/virtual meeting, action must be deferred for a minimum of 24 hours to allow for additional comment. The Board may wish to schedule a date for work sessions and/or a meeting to consider budget approval, at which time any additional comments received can be provided publicly.

**NOTICE OF PUBLIC HEARING  
SAMPSON COUNTY BOARD OF COMMISSIONERS  
PROPOSED BUDGET FOR FISCAL YEAR 2020-2021**

In accordance with NC General Statute 159-12, the **Proposed Budget for Fiscal Year 2020-2021** will be presented to the Sampson County Board of Commissioners on June 1, 2020 and will immediately thereafter be available for public inspection in the Office of the Clerk to the Board, County Administration Building, 406 County Complex Road in Clinton between the hours of 8:00 a.m. and 5:00 p.m., weekdays. The proposed budget will also be online at [www.sampsonnc.com](http://www.sampsonnc.com), and budget comments are welcomed at [budgetcomments@sampsonnc.com](mailto:budgetcomments@sampsonnc.com).

In accordance with NC General Statute 159-12(b), a **Public Hearing** on the proposed budget will be held on Thursday, June 11, 2020 at 6:00 p.m. In the event the State of North Carolina is still under a COVID-19 State of Emergency at that time, the meeting will be held virtually by video conference, and the Board of Commissioners' Auditorium will not be open to the public. In the event the State of North Carolina is no longer under a COVID-19 State of Emergency at that time, the meeting and any recessed and reconvened meetings will be held in the County Auditorium, located at 435 Rowan Road, Building A, Clinton, NC 28328.

If the meeting is held virtually, the meeting will be broadcast live via Facebook Live beginning at 6:00 p.m. Members of the public who wish to listen to the meeting but do not have internet access may do so by dialing the following telephone number and entering the following meeting ID number and password:

Telephone number: (646) 558-8656  
Meeting ID number: 875 8707 6428  
Password: 378181

Members of the public who wish to address the Board of Commissioners regarding the meeting's scheduled public hearings may do so by submitting written comments by one of the following means:

First class mail addressed as follows: Clerk to the Board  
406 County Complex Rd., Bldg. C  
Clinton, NC 28328

Email addressed as follows: [susanh@sampsonnc.com](mailto:susanh@sampsonnc.com)

Written comments must include the commenter's names and address and must be received no later than 5:00 p.m. on June 11, 2020 in order to be considered. Written comments submitted by members of the public will be read aloud by the Clerk and provided as part of the meeting minutes. However, written comments that violate the Board of Commissioners Rules of Procedure and Conduct or Public Comment Policies and Procedures will not be read aloud by the Clerk.

**NOTICE OF PUBLIC HEARING - SAMPSON COUNTY BOARD OF COMMISSIONERS  
ECONOMIC DEVELOPMENT APPROPRIATIONS INCLUDED IN THE  
PROPOSED BUDGET FOR FY 2020-2021**

In accordance with NC General Statutes 158-7.1 and 158-7.2, the Sampson County Board of Commissioners will hold a separate hearing for the purpose of receiving public comments on the recommended allocation of funds within the proposed FY 2020-2021 budget specific to economic development. Such hearing will be held immediately following the public hearing on the full recommended budget on Monday, June 11, 2020 at 6:00 pm.

In the event the State of North Carolina is still under a COVID-19 State of Emergency at that time, the meeting will be held virtually by video conference, and the Board of Commissioners' Auditorium will not be open to the public. In the event the State of North Carolina is no longer under a COVID-19 State of Emergency at that time, the meeting and any recessed and reconvened meetings will be held in the County Auditorium, located at 435 Rowan Road, Building A, Clinton, NC 28328.

If the meeting is held virtually, the meeting will be broadcast live via Facebook Live beginning at 6:00 p.m. Members of the public who wish to listen to the meeting but do not have internet access may do so by dialing the following telephone number and entering the following meeting ID number and password:

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First class mail addressed as follows: Clerk to the Board  
406 County Complex Rd., Bldg. C  
Clinton, NC 28328  
Email addressed as follows: susanh@sampsonnc.com

Written comments must include the commenter's names and address and must be received no later than 5:00 p.m. on June 11, 2020 in order to be considered. Written comments submitted by members of the public will be read aloud by the Clerk and provided as part of the meeting minutes. However, written comments that violate the Board of Commissioners Rules of Procedure and Conduct or Public Comment Policies and Procedures will not be read aloud by the Clerk.

Funding allocations for expenditures related to the recruitment and retention of industry included in the proposed FY 2020-2021 budget can be generally categorized as noted below. The proposed budget may also be viewed online at [www.sampsonnc.com](http://www.sampsonnc.com).

\$176,748	Salaries/benefits for Economic Development personnel responsible for the recruitment and retention of industry
\$ 33,138	Office operational expenses, incl. but not limited to office supplies, travel, advertising, dues/subscriptions, telephone/postage
\$ 20,000	Contracted services, professional/legal/engineering
\$ 686,623	Incentive payments as previously authorized by commissioners after duly-held public hearings
\$ 26,519	Membership costs, Southeastern Economic Development Commission
\$ 3,000	Clinton-Sampson Chamber Sponsorship
\$300,000	Reserve for site-specific development costs such as floodplain/wetlands delineation, surveys, engineering reports

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**SAMPSON COUNTY  
BOARD OF COMMISSIONERS**

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ITEM ABSTRACT

ITEM NO. 2 (a)

Meeting Date: June 11, 2020

<input type="checkbox"/>	Information Only	<input checked="" type="checkbox"/>	Public Comment
<input type="checkbox"/>	Report/Presentation	<input type="checkbox"/>	Closed Session
<input type="checkbox"/>	Action Item	<input type="checkbox"/>	Planning/Zoning
<input type="checkbox"/>	Consent Agenda	<input type="checkbox"/>	Water District Issue

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**SUBJECT:** Public Hearing Regarding Community Development Needs, Intent to Apply for CDBG-NR Funding

**DEPARTMENT:** Finance/Housing

**PUBLIC HEARING:** Yes

**CONTACT PERSON(S):** David Clack, Finance Officer

**PURPOSE:** To conduct the first of two public hearings required prior to applying for CDBG funding

**ATTACHMENTS:** Public Hearing Notice

**BACKGROUND:**

We have duly advertised a public hearing to receive public input on the County's community development needs and the potential for the County to apply for CDBG - NR (Neighborhood Redevelopment) funding from the State. Sampson County anticipates submitting this CDBG application on July 27, 2020, and two public hearings are required prior to submission of an application.

The Chairman should open the hearing and call upon Finance Officer David Clack who will provide information on the grant, including funding available, the requirements on benefit to low-and-moderate income persons, eligible activities, and plans to minimize displacement and provide displacement assistance as necessary. The Chairman should then ask the Clerk to the Board to read any comments received prior to the meeting, and then close the hearing.

**RECOMMENDED ACTION OR MOTION:**

No action is required. The second required hearing will be held at the Board's regular meeting in July.

**PUBLIC HEARING NOTICE**  
**SAMPSON COUNTY, NORTH CAROLINA**

A public hearing will be held by the Sampson County Board of Commissioners on June 11, 2020 at 6:00 p.m. In the event the State of North Carolina is still under a COVID-19 State of Emergency at that time, the meeting will be held virtually by video conference, and the Board of Commissioners' Auditorium will not be open to the public. In the event the State of North Carolina is no longer under a COVID-19 State of Emergency at that time, the meeting will be held in the County Auditorium, located at 435 Rowan Road, Building A, Clinton, NC 28328. The purpose of the public hearing is to solicit public input on community development and needs in Sampson County in relation to Community Development Block Grant (CDBG) funding. Sampson County anticipates submitting this CDBG application on July 27, 2020. Information on the amount of funding available, the requirements on benefit to low-and-moderate income persons, eligible activities, and plans to minimize displacement and provide displacement assistance as necessary will be available. Citizens will also be given the opportunity to provide oral and written comment on Sampson County's use of CDBG funds.

**June 11th Remote Meeting Information**

If the meeting is held virtually, the meeting will be broadcast live via Facebook Live beginning at 6:00 p.m. on June 11, 2020. Members of the public who wish to listen to the meeting but do not have internet access may do so by dialing the following telephone number and entering the following meeting ID number and password:

Telephone number: (646) 558-8656

Meeting ID number: 875 8707 6428

Password: 378181

Members of the public who wish to address the Board of Commissioners regarding the public hearing may do so by submitting written comments by one of the following means:

- First class mail addressed as follows: Clerk to the Board  
406 County Complex Rd., Bldg. C  
Clinton, NC 28328
- Email addressed as follows: [susanh@sampsonnc.com](mailto:susanh@sampsonnc.com)

**Please note that written comments must include the commenter's name and address and must be received by 5:00 p.m. on June 11, 2020 in order to be considered.**

This information is available in Spanish or any other language upon request. Please contact the County Manager at 910-592-7181 or at 406 Complex Road, Suite 120, Clinton, NC 28328 for accommodations for this request.

Esta información está disponible en español o cualquier otro lenguaje a petición. Por favor, póngase en contacto con County Manager en 910-592-7181 o en 406 Complex Road, Suite 120, Clinton, NC 28328 de alojamiento para esta solicitud.



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**SAMPSON COUNTY  
BOARD OF COMMISSIONERS**

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ITEM ABSTRACT

ITEM NO. 3 (a)

Meeting Date: June 11, 2020	<input type="checkbox"/>	Information Only	<input type="checkbox"/>	Public Comment
	<input type="checkbox"/>	Report/Presentation	<input type="checkbox"/>	Closed Session
	<input checked="" type="checkbox"/>	Action Item	<input type="checkbox"/>	Planning/Zoning
	<input type="checkbox"/>	Consent Agenda	<input type="checkbox"/>	Water District Issue

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**SUBJECT:** Proposed Expenditures for Economic Development Purposes - Acquisition of Property (carryover from June 1, 2020 meeting)

**DEPARTMENT:** Legal

**PUBLIC HEARING:** Yes

**CONTACT PERSON(S):** Joel Starling, County Attorney

**PURPOSE:** To consider expenditure for economic development purposes, the acquisition of a fee simple interest in a 1.5 ± acre parcel from Grace H. Byrd

**ATTACHMENTS:** Resolution Approving Acquisition

**BACKGROUND:**

Sampson County has negotiated the purchase of a 1.5-acre property located near the intersection of West Main Street and Sampson Airport Road. The purchase price is \$14,244.00. Because this is an economic development appropriation under state law, the Board of Commissioners held a public hearing on June 1, 2020 regarding the County's proposed expenditure for economic development purposes, the acquisition of a fee simple interest in the parcel from Grace H. Byrd.

Action following the closure of the hearing was deferred pursuant to Executive Order requirements for public hearings held during virtual/remote meetings. The Chairman should call upon the Clerk to read any additional comments received since June 1.

**RECOMMENDED ACTION OR MOTION:**

Consider adoption of enclosed resolution approving the appropriation for the acquisition of the real property, subject to the terms and conditions of the Offer to Purchase and Contract and Addendum to Offer to Purchase and Contract

NORTH CAROLINA'S  
**SAMPSON COUNTY**  
OFFICE *of the* COUNTY ATTORNEY

**MEMORANDUM**

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**TO:** Susan J. Holder  
**FROM:** Joel Starling  
**DATE:** May 21, 2020  
**RE:** Acquisition of Grace Byrd Property

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Sampson County has negotiated the purchase of a 1.5 acre property located near the intersection of West Main Street and Sampson Airport Road. The purchase price is \$14,244.00. Because this is an economic development appropriation under state law, the Board of Commissioners must comply with the public hearing requirement set forth in G.S. 158-7.1(c). To that end, a notice of public hearing was published in the Sampson Independent on Wednesday, May 20, 2020.

Materials:

1. Notice of Public Hearing;
2. Resolution Approving Economic Development Expenditure;
3. Offer to Purchase and Contract and Addendum to Offer to Purchase and Contract.



**PUBLIC NOTICE**  
**SAMPSON COUNTY, NORTH CAROLINA**

A public hearing will be held by the Sampson County Board of Commissioners on June 1, 2020 at 6:00 p.m. In the event the State of North Carolina is still under a COVID-19 State of Emergency at that time, the meeting will be held virtually by video conference, and the Board of Commissioners' Auditorium will not be open to the public. In the event the State of North Carolina is no longer under a COVID-19 State of Emergency at that time, the meeting will be held in the County Auditorium, located at 435 Rowan Road, Building A, Clinton, NC 28328. The purpose of the public hearing is to receive comments on a proposed expenditure for economic development purposes. Namely, the Board of Commissioners intends to approve the acquisition of a fee simple interest in the following 1.5 ± acre parcel from Grace H. Byrd: **Sampson County Parcel No. 15-0173200-02. Being the same property described in Book 793, Page 170 of the Sampson County Registry.**

Said property is located west of the intersection of West Main Street and Sampson Airport Road in Clinton, NC. The proposed purchase price for the above-described real property is \$14,244.00. The source of funding for the acquisition will be the County's general fund.

**June 1st Remote Meeting Information**

If the meeting is held virtually, the meeting will be broadcast live via Facebook Live beginning at 6:00 p.m. Members of the public who wish to listen to the meeting but do not have internet access may do so by dialing the following telephone number and entering the following meeting ID number and password:  
Telephone number: (646) 558-8656  
Meeting ID number: 878 8470 8439  
Password: 690166

Members of the public who wish to address the Board of Commissioners regarding the public hearing may do so by submitting written comments by one of the following means:

First class mail addressed as follows:

Clerk to the Board  
406 County Complex Rd., Bldg. C  
Clinton, NC 28328

Email addressed as follows:

susanh@sampsonnc.com

**Please note that written comments must include the commenter's name and address and must be received by 5:00 p.m. on June 11, 2020 in order to be considered.**

Written comments submitted by members of the public will be read aloud by the Clerk and provided as part of the meeting minutes. However, written comments that violate the Board of Commissioners Rules of Procedure and Conduct or Public Comment Policies and Procedures will not be read aloud by the Clerk.

**June 11th Remote Meeting Information**

In the event that the Board of Commissioners recesses the meeting to June 11, 2020 and the State of North Carolina is still under a COVID-19 State of Emergency at that time, the reconvened meeting will be broadcast via Facebook Live beginning at 6:00 p.m. Members of the public who wish to listen to any such reconvened meeting but do not have internet access may do so by dialing the following telephone number and entering the following meeting ID number and password:

Telephone number: (646) 558-8656  
Meeting ID number: 875 8707 6428  
Password: 378181

For more information on the proposed acquisition, please contact Stephen Barrington, Executive Director, Sampson County Economic Development Commission, during regular business hours at (910) 592-8921 or at sbarrington@sampsonedc.com.

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF SAMPSON COUNTY  
APPROVING ECONOMIC DEVELOPMENT EXPENDITURE**

**WHEREAS**, N.C. Gen. Stat. § (“G.S.”) 158-7.1(b) authorizes counties to, among other things, (1) acquire and develop land for an industrial park, to be used for manufacturing, assembly, fabrication, processing, warehousing, research and development, office use, or similar industrial or commercial purposes and (2) acquire, assemble, and hold for resale property that is suitable for industrial or commercial use; and

**WHEREAS**, the Sampson County Board of Commissioners has negotiated for the purchase of the following described real property, located in South Clinton Township, City of Clinton, Sampson County, North Carolina, for a proposed purchase price of \$14,244.00:

**Sampson County Parcel No. 15-0173200-02. Being the same property described in Book 793, Page 170 of the Sampson County Registry.**

**WHEREAS**, the Sampson County Board of Commissioners has determined, pursuant to G.S. 158-7.1(a), that the appropriation of money for the acquisition of the above-described real property will increase the population, taxable property, agricultural industries, employment, industrial output, or business prospects of the county;

**NOW, THEREFORE, BE IT RESOLVED** that, pursuant to G.S. 158-7.1, the Sampson County Board of Commissioners hereby approves the above appropriation for the acquisition of the above-described real property, subject to the terms and conditions of the Offer to Purchase and Contract and Addendum to Offer to Purchase and Contract attached hereto and incorporated herein by reference.

**ADOPTED**, this the \_\_\_\_\_ day of June, 2020.

\_\_\_\_\_  
CLARK H. WOOTEN, Chairman,  
Sampson County Board of Commissioners

**ATTEST:**

\_\_\_\_\_  
SUSAN J. HOLDER, Clerk,  
Sampson County Board of Commission

**OFFER TO PURCHASE AND CONTRACT - VACANT LOT/LAND**

[Consult "Guidelines" (form 12G) for guidance in completing this form]

**NOTE:** This contract is intended for unimproved real property that Buyer will purchase only for personal use and does not have immediate plans to subdivide. It should not be used to sell property that is being subdivided unless the property has been platted, properly approved and recorded with the register of deeds as of the date of the contract. If Seller is Buyer's builder and the sale involves the construction of a new single family dwelling prior to closing, use the standard Offer to Purchase and Contract–New Construction (Form 800-T) or, if the construction is completed, use the Offer to Purchase and Contract (Form 2-T) with the New Construction Addendum (Form 2A3-T).

For valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Buyer offers to purchase and Seller upon acceptance agrees to sell and convey the Property on the terms and conditions of this Offer To Purchase and Contract and any addendum or modification made in accordance with its terms (together the "Contract").

**1. TERMS AND DEFINITIONS:** The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) **"Seller":** Grace H. Byrd

(b) **"Buyer":** County of Sampson

(c) **"Property":** The Property shall include all that real estate described below together with all appurtenances thereto including the improvements located thereon.

**NOTE:** If the Property will include a manufactured (mobile) home(s), Buyer and Seller should consider including the Manufactured (Mobile) Home provision in the Additional Provisions Addendum (Standard Form 2A11-T) with this offer.

Street Address: W Main St  
City: Clinton Zip: 28328  
County: Sampson, North Carolina

**NOTE:** Governmental authority over taxes, zoning, school districts, utilities and mail delivery may differ from address shown.

Legal Description: (Complete ALL applicable)  
Plat Reference :Lot/Unit \_\_\_\_\_, Block/Section \_\_\_\_\_, Subdivision/Condominium \_\_\_\_\_, as shown on Plat Book/Slide \_\_\_\_\_ at Page(s) \_\_\_\_\_

The PIN/PID or other identification number of the Property is: 15017320002

Other description: \_\_\_\_\_

Some or all of the Property may be described in Deed Book 793 at Page 170

(d) **"Purchase Price":**

\$ 14,244.00

\$ \_\_\_\_\_

\$ 500.00

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ 13,744.00

paid in U.S. Dollars upon the following terms:  
BY DUE DILIGENCE FEE made payable and delivered to Seller by the Effective Date.  
BY INITIAL EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) by  cash  personal check  official bank check  wire transfer,  electronic transfer, EITHER  with this offer OR  within five (5) days of the Effective Date of this Contract.  
BY (ADDITIONAL) EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) by cash, official bank check, wire transfer or electronic transfer no later than 5 p.m. on \_\_\_\_\_, **TIME BEING OF THE ESSENCE.**  
BY ASSUMPTION of the unpaid principal balance and all obligations of Seller on the existing loan(s) secured by a deed of trust on the Property in accordance with the attached Loan Assumption Addendum (Standard Form 2A6-T).  
BY SELLER FINANCING in accordance with the attached Seller Financing Addendum (Standard Form 2A5-T).  
BALANCE of the Purchase Price in cash at Settlement (some or all of which may be paid with the proceeds of a new loan).



This form jointly approved by:  
North Carolina Bar Association  
North Carolina Association of REALTORS®, Inc.



STANDARD FORM 12-T  
Revised 7/2019  
© 7/2019

Buyer initials \_\_\_\_\_ Seller initials \_\_\_\_\_

Should Buyer fail to deliver either the Due Diligence Fee or any Initial Earnest Money Deposit by their due dates, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver cash, official bank check, wire transfer or electronic transfer to the payee. In the event Buyer does not timely deliver the required funds, Seller shall have the right to terminate this Contract upon written notice to Buyer.

(e) **"Earnest Money Deposit"**: The Initial Earnest Money Deposit, the Additional Earnest Money Deposit and any other earnest monies paid or required to be paid in connection with this transaction, collectively the "Earnest Money Deposit", shall be deposited and held in escrow by Escrow Agent until Closing, at which time it will be credited to Buyer, or until this Contract is otherwise terminated. In the event: (1) this offer is not accepted; or (2) a condition of any resulting contract is not satisfied, then the Earnest Money Deposit shall be refunded to Buyer. In the event of breach of this Contract by Seller, the Earnest Money Deposit shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Contract by Buyer, the Earnest Money Deposit shall be paid to Seller. The payment of the Earnest Money Deposit to Seller and the retention of any Due Diligence Fee by Seller (without regard to their respective amounts, including zero) together shall serve as liquidated damages ("Liquidated Damages") and as Seller's sole and exclusive remedy for such breach, but without limiting Seller's rights under Paragraphs 4(d) and 4(e) for damage to the Property. It is acknowledged by the parties that the amount of the Liquidated Damages is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of a breach of this Contract by Buyer. The payment to Seller and/or retention by Seller of the Liquidated Damages shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty determining Seller's actual damages for such breach. If legal proceedings are brought by Buyer or Seller against the other to recover the Earnest Money Deposit, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney fees and court costs incurred in connection with the proceeding.

(f) **"Escrow Agent"** (insert name): Tim Howard Attorney at Law

**NOTE:** In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money Deposit held in escrow, a licensed real estate broker ("Broker") is required by state law (and Escrow Agent, if not a Broker, hereby agrees) to retain the Earnest Money Deposit in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a Broker or an attorney licensed to practice law in North Carolina ("Attorney") is holding the Earnest Money Deposit, the Broker or Attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.

THE PARTIES AGREE THAT A REAL ESTATE BROKERAGE FIRM ACTING AS ESCROW AGENT MAY PLACE THE EARNEST MONEY DEPOSIT IN AN INTEREST BEARING TRUST ACCOUNT AND THAT ANY INTEREST EARNED THEREON SHALL BE DISBURSED TO THE ESCROW AGENT MONTHLY IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

(g) **"Effective Date"**: The date that: (1) the last one of Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (2) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. The parties acknowledge and agree that the initials lines at the bottom of each page of this Contract are merely evidence of their having reviewed the terms of each page, and that the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement.

(h) **"Due Diligence"**: Buyer's opportunity to investigate the Property and the transaction contemplated by this Contract, including but not necessarily limited to the matters described in Paragraph 2 below, to decide whether Buyer, in Buyer's sole discretion, will proceed with or terminate the transaction.

(i) **"Due Diligence Fee"**: A negotiated amount, if any, paid by Buyer to Seller with this Contract for Buyer's right to terminate the Contract for any reason or no reason during the Due Diligence Period. It shall be the property of Seller upon the Effective Date and shall be a credit to Buyer at Closing. The Due Diligence Fee shall be non-refundable except in the event of a material breach of this Contract by Seller, or if this Contract is terminated under Paragraph 6(n) or as otherwise provided in any addendum hereto. Buyer and Seller each expressly waive any right that they may have to deny the right to conduct Due Diligence or to assert any defense as to the enforceability of this Contract based on the absence or alleged insufficiency of any Due Diligence Fee, it being the intent of the parties to create a legally binding contract for the purchase and sale of the Property without regard to the existence or amount of any Due Diligence Fee.

(j) **"Due Diligence Period"**: The period beginning on the Effective Date and extending through 5:00 p.m. on June 30, 2020 *TIME BEING OF THE ESSENCE.*

(k) **"Settlement"**: The proper execution and delivery to the closing attorney of all documents necessary to complete the transaction contemplated by this Contract, including the deed, settlement statement, deed of trust and other loan or conveyance documents, and the closing attorney's receipt of all funds necessary to complete such transaction.

(l) **"Settlement Date"**: The parties agree that Settlement will take place on July 15, 2020 (the "Settlement Date"), unless otherwise agreed in writing, at a time and place designated by Buyer.

(m) **"Closing"**: The completion of the legal process which results in the transfer of title to the Property from Seller to Buyer, which includes the following steps: (1) the Settlement (defined above); (2) the completion of a satisfactory title update to the Property following the Settlement; (3) the closing attorney's receipt of authorization to disburse all necessary funds; and (4) recordation in the appropriate county registry of the deed(s) and deed(s) of trust, if any, which shall take place as soon as reasonably possible for the closing attorney after Settlement. Upon Closing, the proceeds of sale shall be disbursed by the closing attorney in accordance with the settlement statement and the provisions of Chapter 45A of the North Carolina General Statutes. If the title update should reveal unexpected liens, encumbrances or other title defects, or if the closing attorney is not authorized to disburse all necessary funds, then the Closing shall be suspended and the Settlement deemed delayed under Paragraph 9 (Delay in Settlement/Closing).

**WARNING:** The North Carolina State Bar has determined that the performance of most acts and services required for a closing constitutes the practice of law and must be performed only by an attorney licensed to practice law in North Carolina. State law prohibits unlicensed individuals or firms from rendering legal services or advice. Although non-attorney settlement agents may perform limited services in connection with a closing, they may not perform all the acts and services required to complete a closing. A closing involves significant legal issues that should be handled by an attorney. Accordingly it is the position of the North Carolina Bar Association and the North Carolina Association of REALTORS® that all buyers should hire an attorney licensed in North Carolina to perform a closing.

(n) **"Special Assessments"**: A charge against the Property by a governmental authority in addition to ad valorem taxes and recurring governmental service fees levied with such taxes, or by an owners' association in addition to any regular assessment (dues), either of which may be a lien against the Property. A Special Assessment may be either proposed or confirmed.

**"Proposed Special Assessment"**: A Special Assessment that is under formal consideration but which has not been approved prior to Settlement.

**"Confirmed Special Assessment"**: A Special Assessment that has been approved prior to Settlement whether payable in a lump sum or future installments.

**NOTE:** Any Proposed and Confirmed Special Assessments must be identified by Seller in paragraph 5(b), and Buyer's and Seller's respective responsibilities for Proposed and Confirmed Special Assessments are addressed in paragraphs 4(a) and 6(k).

2. **BUYER'S DUE DILIGENCE PROCESS:**

**WARNING:** BUYER IS STRONGLY ENCOURAGED TO CONDUCT DUE DILIGENCE DURING THE DUE DILIGENCE PERIOD. If Buyer is not satisfied with the results or progress of Buyer's Due Diligence, Buyer should terminate this Contract, *prior to the expiration of the Due Diligence Period*, unless Buyer can obtain a written extension from Seller. SELLER IS NOT OBLIGATED TO GRANT AN EXTENSION. Although Buyer may continue to investigate the Property following the expiration of the Due Diligence Period, Buyer's failure to deliver a Termination Notice to Seller prior to the expiration of the Due Diligence Period will constitute a waiver by Buyer of any right to terminate this Contract based on any matter relating to Buyer's Due Diligence. Provided however, following the Due Diligence Period, Buyer may still exercise a right to terminate if Seller fails to materially comply with any of Seller's obligations under paragraph 6 of this Contract or for any other reason permitted under the terms of this Contract or North Carolina law.

(a) **Loan:** Buyer, at Buyer's expense, shall be entitled to pursue qualification for and approval of the Loan if any.

**NOTE:** Buyer's obligation to purchase the Property is not contingent on obtaining a Loan. Therefore, Buyer is advised to consult with Buyer's lender prior to signing this offer to assure that the Due Diligence Period allows sufficient time for the appraisal to be completed and for Buyer's lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction.

(b) **Property Investigation:** Buyer or Buyer's agents or representatives, at Buyer's expense, shall be entitled to conduct all desired tests, surveys, appraisals, investigations, examinations and inspections of the Property as Buyer deems appropriate, including but NOT limited to the following:

Buyer initials \_\_\_\_\_ Seller initials \_\_\_\_\_

- (i) **Soil And Environmental:** Reports to determine whether the soil is suitable for Buyer's intended use and whether there is any environmental contamination, law, rule or regulation that may prohibit, restrict or limit Buyer's intended use.
- (ii) **Septic/Sewer System:** Any applicable investigation(s) to determine: (1) the condition of an existing sewage system, (2) the costs and expenses to install a sewage system approved by an existing Improvement Permit, (3) the availability and expense to connect to a public or community sewer system, and/or (4) whether an Improvement Permit or written evaluation may be obtained from the County Health Department for a suitable ground absorption sewage system.
- (iii) **Water:** Any applicable investigation(s) to determine: (1) the condition of an existing private drinking water well, (2) the costs and expenses to install a private drinking water well approved by an existing Construction Permit, (3) the availability, costs and expenses to connect to a public or community water system, or a shared private well, and/or (4) whether a Construction Permit may be obtained from the County Health Department for a private drinking water well.
- (iv) **Review of Documents:** Review of the Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, and other governing documents of any applicable owners' association and/or subdivision. If the Property is subject to regulation by an owners' association, it is recommended that Buyer review the completed Owners' Association And Addendum (Standard Form 2A12-T) provided by Seller prior to signing this offer. It is also recommended that the Buyer determine if the owners' association or its management company charges fees for providing information required by Buyer's lender or confirming restrictive covenant compliance.
- (v) **Appraisals:** An appraisal of the Property.
- (vi) **Survey:** A survey to determine whether the property is suitable for Buyer's intended use and the location of easements, setbacks, property boundaries and other issues which may or may not constitute title defects.
- (vii) **Zoning and Governmental Regulation:** Investigation of current or proposed zoning or other governmental regulation that may affect Buyer's intended use of the Property, adjacent land uses, planned or proposed road construction, and school attendance zones.
- (viii) **Flood Hazard:** Investigation of potential flood hazards on the Property, and/or any requirement to purchase flood insurance in order to obtain the Loan.
- (ix) **Utilities and Access:** Availability, quality, and obligations for maintenance of utilities including electric, gas, communication services, storm water management, and means of access to the Property and amenities.
- (x) **Streets/Roads:** Investigation of the status of the street/road upon which the Property fronts as well as any other street/road used to access the Property, including: (1) whether any street(s)/road(s) are public or private, (2) whether any street(s)/road(s) designated as public are accepted for maintenance by the State of NC or any municipality, or (3) if private or not accepted for public maintenance, the consequences and responsibility for maintenance and the existence, terms and funding of any maintenance agreements.

**NOTE:** NC General Statutes Section 136-102.6(f) (the "Statute") requires that under circumstances described in the Statute, a buyer must be provided a subdivision streets disclosure statement prior to entering into an agreement to buy subdivided property described in the Statute. If Buyer or Seller are uncertain whether the sale of the Property described in this Contract is subject to the Statute, consult a NC real estate attorney.

- (xi) **Sale/Lease of Existing Property:** As noted in paragraph 3(b), this Contract is not conditioned upon the sale/lease or closing of other property owned by Buyer. Therefore, if Buyer must sell or lease other real property in order to qualify for a new loan or to otherwise complete the purchase of the Property, Buyer should seek to close on Buyer's other property prior to the end of the Due Diligence Period or be reasonably satisfied that closing on Buyer's other property will take place prior to the Settlement Date of this Contract.

(c) **Buyer's Obligation to Repair Damage:** Buyer shall, at Buyer's expense, promptly repair any damage to the Property resulting from any activities of Buyer and Buyer's agents and contractors, but Buyer shall not be responsible for any damage caused by accepted practices applicable to any N.C. licensed professional performing reasonable appraisals, tests, surveys, examinations and inspections of the Property. This repair obligation shall survive any termination of this Contract.

(d) **Indemnity:** Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property except for any loss, damage, claim, suit or cost arising out of pre-existing conditions of the Property and/or out of Seller's negligence or willful acts or omissions. This indemnity shall survive this Contract and any termination hereof.

(e) **Buyer's Right to Terminate:** Buyer shall have the right to terminate this Contract for any reason or no reason, by delivering to Seller written notice of termination (the "Termination Notice") during the Due Diligence Period (or any agreed-upon written extension of the Due Diligence Period), **TIME BEING OF THE ESSENCE**. If Buyer timely delivers the Termination Notice, this Contract shall be terminated and the Earnest Money Deposit shall be refunded to Buyer.

(f) **CLOSING SHALL CONSTITUTE ACCEPTANCE OF THE PROPERTY IN ITS THEN EXISTING CONDITION UNLESS PROVISION IS OTHERWISE MADE IN WRITING.**

3. **BUYER REPRESENTATIONS:**

(a) **Loan:** Buyer  does  does not intend to obtain a new loan in order to purchase the Property. If Buyer is obtaining a new loan, Buyer intends to obtain a loan as follows:  Conventional  Other: \_\_\_\_\_ loan at a  Fixed Rate  Adjustable Rate in the principal amount of \_\_\_\_\_ for a term of \_\_\_\_\_ year(s), at an initial interest rate not to exceed \_\_\_\_\_ % per annum (the "Loan").

**NOTE:** Buyer's obligation under this Contract are not conditioned upon obtaining or closing any loan.

**NOTE:** If Buyer does not intend to obtain a new loan, Seller is advised, prior to signing this offer, to obtain documentation from Buyer which demonstrates that Buyer will be able to close on the Property without the necessity of obtaining a new loan.

(b) **Other Property:** Buyer  DOES  DOES NOT have to sell or lease other real property in order to qualify for a new loan or to complete the purchase. *(Complete the following only if Buyer DOES have to sell or lease other real property:)*

Other Property Address: \_\_\_\_\_

**(Check if applicable)** Buyer's other property IS under contract as of the date of this offer, and a copy of the contract has either been previously provided to Seller or accompanies this offer. *(Buyer may mark out any confidential information, such as the purchase price and the buyer's identity, prior to providing a copy of the contract to Seller.)* Failure to provide a copy of the contract shall not prevent this offer from becoming a binding contract; however, SELLER IS STRONGLY ENCOURAGED TO OBTAIN AND REVIEW THE CONTRACT ON BUYER'S PROPERTY PRIOR TO ACCEPTING THIS OFFER.

**(Check if applicable)** Buyer's other property IS NOT under contract as of the date of this offer. Buyer's property *(check only ONE of the following options):*

is listed with and actively marketed by a licensed real estate broker.

will be listed with and actively marketed by a licensed real estate broker.

Buyer is attempting to sell/lease the Buyer's Property without the assistance of a licensed real estate broker.

**NOTE:** This Contract is NOT conditioned upon the sale/lease or closing of Buyer's other property. If the parties agree to make this Contract conditioned on a sale/lease or closing of Buyer's other property, an appropriate contingency addendum should be drafted by a North Carolina real estate attorney and added to this Contract.

(c) **Performance of Buyer's Financial Obligations:** To the best of Buyer's knowledge, there are no other circumstances or conditions existing as of the date of this offer that would prohibit Buyer from performing Buyer's financial obligations in accordance with this Contract, except as maybe specifically set forth herein.

4. **BUYER OBLIGATIONS:**

(a) **Responsibility for Proposed Special Assessments:** Buyer shall take title subject to all Proposed Special Assessments.

(b) **Responsibility for Certain Costs:** Buyer shall be responsible for all costs with respect to:

(i) any loan obtained by Buyer, including charges by an owners association and/or management company as agent of an owners' association for providing information required by Buyer's lender;

(ii) charges required by an owners' association declaration to be paid by Buyer for Buyer's future use and enjoyment of the Property, including, without limitation, working capital contributions, membership fees, or charges for Buyer's use of the common elements and/or services provided to Buyer, such as "move-in fees";

(iii) determining restrictive covenant compliance;

(iv) appraisal;

(v) title search;

(vi) title insurance;

(vii) any fees charged by the closing attorney for the preparation of the Closing Disclosure, Seller Disclosure and any other settlement statement;

(viii) recording the deed; and

(ix) preparation and recording of all instruments required to secure the balance of the Purchase Price unpaid at Settlement.

(c) **Authorization to Disclose Information:** Buyer authorizes the Buyer's lender(s), the parties' real estate agent(s) and closing attorney:(1) to provide this Contract to any appraiser employed by Buyer or by Buyer's lender(s); and (2) to release and disclose any buyer's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

5. **SELLER REPRESENTATIONS:**

(a) **Ownership:** Seller represents that Seller:

- has owned the Property for at least one year.
- has owned the Property for less than one year.
- does not yet own the Property.

(b) **Assessments:** To the best of Seller's knowledge there  are  are not any Proposed Special Assessments. If any Proposed Special Assessments, identify: \_\_\_\_\_

Seller warrants that there  are  are not any Confirmed Special Assessments. If any Confirmed Special Assessments, identify: \_\_\_\_\_

**NOTE:** Buyer's and Seller's respective responsibilities for Proposed and Confirmed Special Assessments are addressed in paragraphs 4(a) and 6(k).

(c) **Owners' Association(s) and Dues:** To best of Seller's knowledge, ownership of the Property  subjects  does not subject Buyer to regulation by one or more owners' association(s) and governing documents, which impose various mandatory covenants, conditions and restrictions upon the Property and Buyer's enjoyment thereof, including but not limited to obligations to pay regular assessments (dues) and Special Assessments. If there is an owners' association, then an Owners' Association Disclosure and Addendum For Properties Exempt from Residential Property Disclosure Statement (Standard Form 2A12-T) shall be completed by Seller, at Seller's expense, and must be attached as an addendum to this Contract.

(d) **Sewage System Permit:** (  Applicable  Not Applicable) Seller warrants that the sewage system described in the Improvement Permit attached hereto has been installed, which representation survives Closing, but makes no further representations as to the system.

(e) **Private Drinking Water Well Permit:** (  Applicable  Not Applicable) Seller warrants that a private drinking water well has been installed, which representation survives Closing, but makes no further representations as to the well. (If well installed after July 1, 2008, attach Improvement Permit hereto.)

6. **SELLER OBLIGATIONS:**

(a) **Evidence of Title, Payoff Statement(s) and Non Foreign Status:**

- (i) Seller agrees to use best efforts to provide to the closing attorney as soon as reasonably possible after the Effective Date, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust, leases, and easements relating to the Property.
- (ii) Seller shall provide to the closing attorney all information needed to obtain a written payoff statement from any lender(s) regarding any security interest in the Property as soon as reasonably possible after the Effective Date, and Seller designates the closing attorney as Seller's agent with express authority to request and obtain on Seller's behalf payoff statements and/or short-pay statements from any such lender(s).
- (iii) If Seller is not a foreign person as defined by the Foreign Investment in Real Property Tax Act, Seller shall also provide to the closing attorney a non-foreign status affidavit (pursuant to the Foreign Investment in Real Property Tax Act). In the event Seller shall not provide a non-foreign status affidavit, Seller acknowledges that there maybe withholding as provided by the Internal Revenue Code.

(b) **Authorization to Disclose Information:** Seller authorizes: (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys, and (3) the closing attorney to release and disclose any seller's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

(c) **Access to Property:** Seller shall provide reasonable access to the Property through the earlier of Closing or possession by Buyer, including, but not limited to, allowing the Buyer and/or Buyer's agents or representatives an opportunity to (i) conduct Due Diligence, (ii) verify the satisfactory completion of negotiated repairs/improvements, and (iii) conduct a final walk-through inspection of the Property. Seller's obligation includes providing existing utilities operating at Seller's cost including any connections and dewatering. To the extent applicable, Seller shall also be responsible for timely clearing that portion of the Property required by the County to perform tests, inspections and/or evaluations to determine the suitability of the Property for a sewage system and/or private drinking water well.

**NOTE:** See WARNING in paragraph 2 above for limitation on Buyer's right to terminate this Contract as a result of Buyer's continued investigation of the Property following the expiration of the Due Diligence Period.



(d) **Removal of Seller's Property:** Seller shall remove from the Property, by the date possession is delivered, (i) all personal property which is not a part of the purchase and (ii) unless otherwise agreed, all garbage and debris.

(e) **Affidavit and Indemnification Agreement:** Seller shall furnish at Settlement an affidavit(s) and indemnification agreement(s) in form satisfactory to Buyer and Buyer's title insurer, if any, executed by Seller and any person or entity who has performed or furnished labor, services, materials or rental equipment to the Property within 120 days prior to the date of Settlement and who may be entitled to claim a lien against the Property as described in N.C.G.S. §44A-8 verifying that each such person or entity has been paid in full and agreeing to indemnify Buyer, Buyer's lender(s) and Buyer's title insurer against all loss from any cause or claim arising there from.

(f) **Designation of Lien Agent, Payment and Satisfaction of Liens:** If required by N.C.G.S. §44A-11.1, Seller shall have designated a Lien Agent, and Seller shall deliver to Buyer as soon as reasonably possible a copy of the appointment of Lien Agent. All deeds of trust, deferred ad valorem taxes, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Settlement such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(g) **Good Title, Legal Access:** Seller shall execute and deliver a GENERAL WARRANTY DEED for the Property in recordable form no later than Settlement, which shall convey fee simple marketable and insurable title, without exception for mechanics' liens, and free of any other liens, encumbrances or defects, including those which would be revealed by a current and accurate survey of the Property, except: ad valorem taxes for the current year (prorated through the date of Settlement); utility easements and unviolated covenants, conditions or restrictions that do not materially affect the value of the Property; and such other liens, encumbrances or defects as may be assumed or specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

**NOTE:** Buyer's failure to conduct a survey or examine title of the Property prior to the expiration of the Due Diligence Period does not relieve the Seller of their obligation to deliver good title under this paragraph.

**NOTE:** If any sale of the Property may be a "short sale," consideration should be given to attaching a Short Sale Addendum (Standard Form 2A14-T) as an addendum to this Contract.

(h) **Deed, Taxes, and Fees:** Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Contract, and for state and county excise taxes, and any deferred, discounted or rollback taxes, and local conveyance fees required by law. The deed is to be made to: County of Sampson

(i) **Agreement to Pay Buyer Expenses:** Seller shall pay at Settlement \$ none toward any of Buyer's expenses associated with the purchase of the Property, at the discretion of Buyer and/or lender, if any, including any FHA/VA lender and inspection costs that Buyer is not permitted to pay.

(j) **Owners' Association Fees/Charges: Seller shall pay:** (i) any fees required for confirming Seller's account payment information on owners' association dues or assessments for payment or proration; (ii) any fees imposed by an owners' association and/or a management company as agent of the owners' association in connection with the transaction contemplated by this Contract other than those fees required to be paid by Buyer under paragraph 4(b) above; and (iii) fees incurred by Seller in completing the Residential Property and Owners' Association Disclosure Statement, and resale or other certificates related to a proposed sale of the Property.

(k) **Payment of Confirmed Special Assessments:** Seller shall pay, in full at Settlement, all Confirmed Special Assessments, whether payable in a lump sum or future installments, provided that the amount thereof can be reasonably determined or estimated. The payment of such estimated amount shall be the final payment between the Parties.

(l) **Late Listing Penalties:** All property tax late listing penalties, if any, shall be paid by Seller.

(m) **Owners' Association Disclosure and Condominium Resale Statement Addendum** (Standard Form 2A12-T): If applicable, Seller shall provide the completed Owners' Association Disclosure and Condominium Resale Statement Addendum to Buyer on or before the Effective Date.

(n) **Seller's Failure to Comply or Breach:** If Seller fails to materially comply with any of Seller's obligations under this Paragraph 6 or Seller materially breaches this Contract, and Buyer elects to terminate this Contract as a result of such failure or breach, then the Earnest Money Deposit and the Due Diligence Fee shall be refunded to Buyer and Seller shall reimburse to Buyer the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence without affecting any other remedies.

If

legal proceedings are brought by Buyer against the Seller to recover the Earnest Money Deposit, the Due Diligence Fee and/or the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney fees and court costs incurred in connection with the proceeding.

7. **PRORATIONS AND ADJUSTMENTS:** Unless otherwise provided, the following items shall be prorated, with Seller responsible for the prorated amounts through the date of Settlement, and either adjusted between the parties or paid at Settlement:

- (a) **Taxes on Real Property:** Ad valorem taxes and recurring governmental service fees levied with such taxes on real property shall be prorated on a calendar year basis;
- (b) **Rents:** Rents, if any, for the Property;
- (c) **Dues:** Owners' association regular assessments (dues) and other like charges.

8. **RISK OF LOSS/CONDITION OF PROPERTY AT CLOSING:** The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

Buyer's obligation to complete the transaction contemplated by this Contract shall be contingent upon the Property being in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted. If the Property is not in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted, Buyer may terminate this Contract by written notice delivered to Seller and the Earnest Money Deposit shall be refunded to Buyer. If the Property is not in such condition and Buyer does NOT elect to terminate this Contract, Buyer shall be entitled to receive, in addition to the Property, the proceeds of any insurance claim filed by Seller on account of any damage or destruction to the Property.

9. **DELAY IN SETTLEMENT/CLOSING:** Absent agreement to the contrary in this Contract or any subsequent modification thereto, if a party is unable to complete Settlement by the Settlement Date but intends to complete the transaction and is acting in good faith and with reasonable diligence to proceed to Settlement ("Delaying Party"), and if the other party is ready, willing and able to complete Settlement on the Settlement Date ("Non-Delaying Party") then the Delaying Party shall give as much notice as possible to the Non-Delaying Party and closing attorney and shall be entitled to a delay in Settlement. If the parties fail to complete Settlement and Closing within fourteen (14) days of the Settlement Date (including any amended Settlement Date agreed to in writing by the parties) or to otherwise extend the Settlement Date by written agreement, then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.

10. **POSSESSION:** Unless otherwise provided herein, possession, including all means of access to the Property (keys, codes, including security codes, gate openers, electronic devices, etc.) shall be delivered at Closing as defined in Paragraph 1(m). No alterations, excavations, tree or vegetation removal or other such activities may be done before possession is delivered.

11. **ADDENDA:** CHECK ALL STANDARD ADDENDA THAT MAY BE A PART OF THIS CONTRACT, IF ANY, AND ATTACH HERETO. ITEMIZE ALL OTHER ADDENDA TO THIS CONTRACT, IF ANY, AND ATTACH HERETO.

- |  |   |
|--|---|
| <input type="checkbox"/> Additional Provisions Addendum (Form 2A11-T)            | <input type="checkbox"/> Owners' Association Disclosure And Addendum For Properties Exempt from Residential Property Disclosure Statement (Form 2A12-T) |
| <input type="checkbox"/> Additional Signatures Addendum (Form 3-T)               | <input type="checkbox"/> Seller Financing Addendum (Form 2A5-T)   |
| <input type="checkbox"/> Back-Up Contract Addendum (Form 2A1-T)                  | <input type="checkbox"/> Short Sale Addendum (Form 2A14-T)  |
| <input type="checkbox"/> Loan Assumption Addendum (Form 2A6-T)                   |   |
| <input type="checkbox"/> Identify other attorney or party drafted addenda: _____ |   |

**NOTE:** UNDER NORTH CAROLINA LAW, REAL ESTATE BROKERS ARE NOT PERMITTED TO DRAFT ADDENDA TO THIS CONTRACT.

12. **ASSIGNMENTS:** This Contract may not be assigned without the written consent of all parties except in connection with a tax-deferred exchange, but if assigned by agreement, then this Contract shall be binding on the assignee and assignee's heirs and successors.

13. **TAX-DEFERRED EXCHANGE:** In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Buyer and Seller shall execute such additional

documents, including assignment of this Contract in connection therewith, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

14. **PARTIES:** This Contract shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

15. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

16. **ENTIRE AGREEMENT:** This Contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties. Nothing contained herein shall alter any agreement between a REALTOR® or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them.

17. **CONDUCT OF TRANSACTION:** The parties agree that any action between them relating to the transaction contemplated by this Contract may be conducted by electronic means, including the signing of this Contract by one or more of them and any notice or communication given in connection with this Contract. Any written notice or communication may be transmitted to any mailing address, e-mail address or fax number set forth in the "Notice Information" section below. Any notice or communication to be given to a party herein, any any fee, deposit of other payment to be delivered to a party herein, may be given to the party or to such party's agent. Seller and Buyer agree that the "Notice Information" and "Acknowledgment of Receipt of Monies" sections below shall not constitute a material part of this Contract, and that the addition or modification of any information therein shall not constitute a rejection of an offer or the creation of a counter offer.

18. **EXECUTION:** This Contract may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument.

19. **COMPUTATION OF DAYS/TIME OF DAY:** Unless otherwise provided, for purposes of this Contract, the term "days" shall mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract was required to be performed or made. Any reference to a date or time of day shall refer to the date and/or time of day in the State of North Carolina.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

This offer shall become a binding contract on the Effective Date. Unless specifically provided otherwise, Buyer's failure to timely deliver any fee, deposit or other payment provided for herein shall not prevent this offer from becoming a binding contract, provided that any such failure shall give Seller certain rights to terminate the contract as described herein or as otherwise permitted by law.

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

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

Buyer \_\_\_\_\_

Seller \_\_\_\_\_

County of Sampson

Grace H. Byrd

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

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

Buyer \_\_\_\_\_

Seller \_\_\_\_\_

Entity Buyer:

Entity Seller:

County of Sampson

(Name of LLC/Corporation/Partnership/Trust/etc.)

(Name of LLC/Corporation/Partnership/Trust/etc.)

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Clark H. Wooten

Name: \_\_\_\_\_

Title: Chairman, Board of Commissioners

Title: \_\_\_\_\_

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

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

**WIRE FRAUD WARNING**

TO BUYERS: BEFORE SENDING ANY WIRE, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO VERIFY THE INSTRUCTIONS. IF YOU RECEIVE WIRING INSTRUCTIONS FOR A DIFFERENT BANK, BRANCH LOCATION, ACCOUNT NAME OR ACCOUNT NUMBER, THEY SHOULD BE PRESUMED FRAUDULENT. DO NOT SEND ANY FUNDS AND CONTACT THE CLOSING ATTORNEY'S OFFICE IMMEDIATELY.

TO SELLERS: IF YOUR PROCEEDS WILL BE WIRED, IT IS RECOMMENDED THAT YOU PROVIDE WIRING INSTRUCTIONS AT CLOSING IN WRITING IN THE PRESENCE OF THE ATTORNEY. IF YOU ARE UNABLE TO ATTEND CLOSING, YOU MAY BE REQUIRED TO SEND AN ORIGINAL NOTARIZED DIRECTIVE TO THE CLOSING ATTORNEY'S OFFICE CONTAINING THE WIRING INSTRUCTIONS. THIS MAY BE SENT WITH THE DEED, LIEN WAIVER AND TAX FORMS IF THOSE DOCUMENTS ARE BEING PREPARED FOR YOU BY THE CLOSING ATTORNEY. AT A MINIMUM, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE TO PROVIDE THE WIRE INSTRUCTIONS. THE WIRE INSTRUCTIONS SHOULD BE VERIFIED OVER THE TELEPHONE VIA A CALL TO YOU INITIATED BY THE CLOSING ATTORNEY'S OFFICE TO ENSURE THAT THEY ARE NOT FROM A FRAUDULENT SOURCE.

WHETHER YOU ARE A BUYER OR A SELLER, YOU SHOULD CALL THE CLOSING ATTORNEY'S OFFICE AT A NUMBER THAT IS INDEPENDENTLY OBTAINED. TO ENSURE THAT YOUR CONTACT IS LEGITIMATE, YOU SHOULD NOT RELY ON A PHONE NUMBER IN AN EMAIL FROM THE CLOSING ATTORNEY'S OFFICE, YOUR REAL ESTATE AGENT OR ANYONE ELSE.

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**NOTICE INFORMATION**

**NOTE: INSERT AT LEAST ONE ADDRESS AND/OR ELECTRONIC DELIVERY ADDRESS EACH PARTY AND AGENT APPROVES FOR THE RECEIPT OF ANY NOTICE CONTEMPLATED BY THIS CONTRACT. INSERT "N/A" FOR ANY WHICH ARE NOT APPROVED.**

**BUYER NOTICE ADDRESS:**

Mailing Address: 406 County Complex Road  
Clinton, NC 28328

Buyer Fax#: \_\_\_\_\_

Buyer E-mail: \_\_\_\_\_

**SELLER NOTICE ADDRESS:**

Mailing Address: \_\_\_\_\_

Seller Fax#: \_\_\_\_\_

Seller E-mail: \_\_\_\_\_

**CONFIRMATION OF AGENCY/NOTICE ADDRESSES**

Selling Firm Name: Clinton Realty Co.  
Acting as  Buyer's Agent  Seller's(sub)Agent  Dual Agent  
Firm License#: C17105  
Mailing Address: 607 College St., Clinton, NC 28328

Listing Firm Name: Clinton Realty Co.  
Acting as  Seller's Agent  Dual Agent  
Firm License#: C17105  
Mailing Address: 607 College St, Clinton, NC 28328-3501

Individual Selling Agent: Gail K. Gainey  
 Acting as a Designated Dual Agent (check only if applicable)

Individual Listing Agent: Gail K. Gainey  
 Acting as a Designated Dual Agent (check only if applicable)

Selling Agent License#: 70511

Listing Agent License#: 70511

Selling Agent Phone#: (910)590-9164

Listing Agent Phone#: (910)590-9164

Selling Agent Fax#: (910)596-0095

Listing Agent Fax#: (910)596-0095

Selling Agent E-mail: ggainey@clintonrealty.net

Listing Agent E-mail: ggainey@clintonrealty.net

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ACKNOWLEDGMENT OF RECEIPT OF MONIES

Seller: Grace H. Byrd ("Seller")

Buyer: County of Sampson ("Buyer")

Property Address: W Main St, Clinton, NC 28328 ("Property")

LISTING AGENT ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$ \_\_\_\_\_, receipt of which Listing Agent hereby acknowledges.

Date: \_\_\_\_\_ Firm: Clinton Realty Co.  
By: \_\_\_\_\_  
(Signature)  
Gail K. Gainey  
(Print name)

SELLER ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$ \_\_\_\_\_, receipt of which Seller hereby acknowledges.

Date: \_\_\_\_\_ Seller: \_\_\_\_\_  
(Signature)  
Grace H. Byrd  
Date: \_\_\_\_\_ Seller: \_\_\_\_\_  
(Signature)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF INITIAL EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an Initial Earnest Money Deposit in the amount of \$ \_\_\_\_\_. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the Initial Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date: \_\_\_\_\_ Firm: Tim Howard Attorney at Law  
By: \_\_\_\_\_  
(Signature)  
(Print name)

ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF (ADDITIONAL) EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an (Additional) Earnest Money Deposit in the amount of \$ \_\_\_\_\_. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the (Additional) Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date: \_\_\_\_\_ Firm: Tim Howard Attorney at Law  
Time: \_\_\_\_\_  AM.  PM By: \_\_\_\_\_  
(Signature)  
(Print name)

**STATE OF NORTH CAROLINA**

**ADDENDUM TO OFFER TO  
PURCHASE AND CONTRACT**

**COUNTY OF SAMPSON**

Seller represents and warrants that she has no actual knowledge of the presence or disposal on the Property of hazardous or toxic waste or substances, which are defined as those substances, materials, and wastes, including, but not limited to, those substances, materials, and wastes listed in the United State Department of Transportation Hazardous Materials Table or by the Environmental Protection Agency as hazardous substances, or such substances, materials, and wastes, which are regulated under any applicable law, state or federal. Seller has no actual knowledge of any contamination of the property from such substances as may have been disposed of or stored on neighboring tracts.

This the \_\_\_\_\_ day of June, 2020.

 5/20/20  
\_\_\_\_\_  
GRACE H. BYRD

## Working with Real Estate Agents

When buying or selling real estate, you may find it helpful to have a real estate agent assist you. Real estate agents can provide many useful services and work with you in different ways. In some real estate transactions, the agents work for the seller. In others, the seller and buyer may each have agents. And sometimes the same agents work for both the buyer and the seller. It is important for you to know whether an agent is representing you as your agent or simply assisting you while acting as an agent of the other party.

This brochure addresses the various types of agency relationships that may be available to you. It should help you decide which relationship you want to have with a real estate agent. It will also give you useful information about the various services real estate agents can provide buyers and sellers, and it will help explain how real estate agents are paid.

### Sellers

#### *Seller's Agent*

If you are selling real estate, you may want to “list” your property for sale with a real estate firm. If so, you will sign a “listing agreement” authorizing the firm and its agents to represent you in your dealings with buyers as your seller's agent. You may also be asked to allow agents from other firms to help find a buyer for your property.

Be sure to read and understand the listing agreement before you sign it. Your agent must give you a copy of the listing agreement after you sign it.

*Duties to Seller:* The listing firm and its agents must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have signed the listing agreement, the firm and its agents may not give any confidential information about you to prospective buyers or their agents without your permission so long as they represent you. But **until you sign the listing agreement, you should avoid telling the listing agent anything you would not want a buyer to know.**

*Services and Compensation:* To help you sell your property, the listing firm and its agents will offer to perform a number of services for you. These may include • helping you price your property • advertising and marketing your property • giving you all required property disclosure forms for you to complete • negotiating for you the best possible price and terms • reviewing all written offers with you and • otherwise promoting your interests.

For representing you and helping you sell your property, you will pay the listing firm a sales commission or fee. The listing agreement must state the amount or method for determining the commission or fee and whether you will allow the firm to share its commission with agents representing the buyer.

#### *Dual Agent*

You may even permit the listing firm and its agents to represent you and a buyer at the same time. This “dual agency relationship” is most likely to happen if an agent with your listing firm is working as a buyer's agent with someone who wants to purchase your property. If this occurs and you have not already agreed to a dual agency relationship in your listing agreement, your listing agent will ask you to amend your listing agreement to permit the agent to act as agent for both you and the buyer.

It may be difficult for a dual agent to advance the interests of both the buyer and seller. Nevertheless, a dual agent must treat buyers and sellers fairly and equally. Although the dual agent owes them the same duties, buyers and sellers can prohibit dual agents from divulging **certain** confidential information about them to the other party. Some firms also offer a form of dual agency called “designated agency” where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each “designated agent” to more fully represent each party.

If you choose the “dual agency” option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the dual agent and • what the agent will be doing for you in the transaction.



## Buyers

When buying real estate, you may have several choices as to how you want a real estate firm and its agents to work with you. For example, you may want them to represent only you (as a buyer's agent). You may be willing for them to represent both you and the seller at the same time (as a dual agent). Or you may agree to let them represent only the seller (seller's agent or subagent). Some agents will offer you a choice of these services. Others may not.

### ***Buyer's Agent***

***Duties to Buyer:*** If the real estate firm and its agents represent you, they must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have agreed (either orally or in writing) for the firm and its agents to be your buyer's agent, they may not give any confidential information about you to sellers or their agents without your permission so long as they represent you. **But until you make this agreement with your buyer's agent, you should avoid telling the agent anything you would not want a seller to know.**

***Unwritten Agreements:*** To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent and assist you for a time as a *buyer's agent* without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must obtain a written agency agreement before writing the offer. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential.

Be sure to read and understand any agency agreement before you sign it. Once you sign it, the agent must give you a copy of it.

***Services and Compensation:*** Whether you have a written or unwritten agreement, a buyer's agent will perform a number of services for you. These may include helping you • find a suitable property • arrange financing • learn more about the property and • otherwise promote your best interests. If you have a written agency agreement, the agent can also help you prepare and submit a written offer to the seller.

A buyer's agent can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first, but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement with your buyer's agent is spelled out in a buyer agency agreement before you make an offer to purchase property and that you carefully read and understand the compensation provision.

### ***Dual Agent***

You may permit an agent or firm to represent you and the seller at the same time. This "dual agency relationship" is most likely to happen if you become interested in a property listed with your buyer's agent or the agent's firm. If this occurs and you have not already agreed to a dual agency relationship in your (written or oral) buyer agency agreement, your buyer's agent will ask you to amend the buyer agency agreement or sign a separate agreement or document permitting him or her to act as agent for both you and the seller. It may be difficult for a dual agent to advance the interests of both the buyer and seller. Nevertheless, a dual agent must treat buyers and sellers fairly and equally. Although the dual agent owes them the same duties, buyers and sellers can prohibit dual agents from divulging certain confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated dual agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the dual agent and • what the agent will be doing for you in the transaction. This can best be accomplished by putting the agreement in writing at the earliest possible time.

***Seller's Agent Working With a Buyer***

If the real estate agent or firm that you contact does not offer buyer agency or you do not want them to act as your buyer agent, you can still work with the firm and its agents. However, they will be acting as the seller's agent (or "subagent"). The agent can still help you find and purchase property and provide many of the same services as a buyer's agent. The agent must be fair with you and provide you with any "material facts" (such as a leaky roof) about properties.

But remember, the agent represents the seller-not you-and therefore must try to obtain for the seller the best possible price and terms for the seller's property. Furthermore, a seller's agent is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property. Agents must tell you in writing if they are sellers' agents before you say anything that can help the seller. But **until you are sure that an agent is not a seller's agent, you should avoid saying anything you do not want a seller to know.**

Sellers' agents are compensated by the sellers.

***Disclosure of Seller Subagency***

***(Complete, if applicable)***

*When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the SELLER. For more information, see "Seller's Agent Working with a Buyer" in the brochure.*

Agent's Initials Acknowledging Disclosure: \_\_\_\_\_

***For Buyer/Seller***

Agent Name: Gail K. Gainey

License Number: 70511

Firm Name: Clinton Realty Co.

Date: May 6, 2020

## Working with Real Estate Agents

Agents must retain this acknowledgment for their files. This is not a contract.

By signing, I acknowledge that the agent named below furnished a copy of this brochure and reviewed it with me.

Buyer or Seller Name (Print or Type): County of Sampson

Buyer or Seller Signature: \_\_\_\_\_

Buyer or Seller Name (Print or Type): \_\_\_\_\_

Buyer or Seller Signature: \_\_\_\_\_

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

Firm Name: Clinton Realty Co.

Agent Name: Gail K. Gainey

License Number: 70511

### ***Disclosure of Seller Subagency***

*(Complete, if applicable)*

*When showing you property and assisting you in the purchase of a property, the above agent and firm will represent the SELLER. For more information, see "Seller's Agent Working with a Buyer" in the brochure.*

Buyer's Initials Acknowledging Disclosure: \_\_\_\_\_

*(Note: This brochure is for informational purposes only and does not constitute a contract for service.)*

The North Carolina Real Estate Commission  
P.O. Box 17100 Raleigh, North Carolina 27619-7100  
919/875-3700  
Web Site: [www.ncrec.gov](http://www.ncrec.gov) REC 3.45 3/1/13

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**SAMPSON COUNTY  
BOARD OF COMMISSIONERS**

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ITEM ABSTRACT

ITEM NO. 3 (b)

Meeting Date: June 11, 2020	<input type="checkbox"/>	Information Only	<input checked="" type="checkbox"/>	Public Comment
	<input type="checkbox"/>	Report/Presentation	<input type="checkbox"/>	Closed Session
	<input checked="" type="checkbox"/>	Action Item	<input type="checkbox"/>	Planning/Zoning
	<input type="checkbox"/>	Consent Agenda	<input type="checkbox"/>	Water District Issue

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**SUBJECT:** Proposed Expenditures for Economic Development Purposes –  
Consideration of Incentive Agreement

**DEPARTMENT:** Economic Development

**PUBLIC HEARING:** Yes

**CONTACT PERSON(S):** Stephen Barrington, Director of Economic Development  
Joel Starling, County Attorney

**PURPOSE:** To consider entering into an agreement to provide performance-based incentives for an economic development project

**ATTACHMENTS:** Resolution making determinations and authorizing execution of the Incentive Agreement

**BACKGROUND:**

N.C. Gen. Stat. § 158-7.1(a) authorizes counties to make appropriations for economic development purposes provided that the appropriations are determined by the governing body of the county to increase the population, taxable property, agricultural industries, employment, industrial output, or business prospects of the county. The Economic Development Commission, acting on behalf of the Sampson County Board of Commissioners, has negotiated the terms of an economic development agreement that satisfies the requirements this statute with a private enterprise in connection with their expansion of an existing facility located in Sampson County in order to manufacture a soil amendment product.

Before entering into such agreement, the County must hold a public hearing regarding the project. The hearing was duly held on June 1, 2020; however, action was deferred pursuant to Executive Order requirements for public hearings held during virtual/remote meetings. The Chairman should call upon the Clerk to read any additional comments received since June 1.

**RECOMMENDED ACTION OR MOTION:**

Consider adoption of enclosed resolution that determines that the appropriation will increase the population, taxable property, agricultural industries, employment, industrial output, and business prospects of Sampson County, sets forth the proposed incentives and performance-based commitments, and authorizes the execution of the Incentive Agreement



## PROJECT 20-20 IMPACT

### JOBS

37 NEW JOBS  
Over five years

### REAL + PERSONAL PROPERTY INVESTMENT

\$17,819,000  
Over five years

### REAL + PERSONAL PROPERTY TAX REVENUE to SAMPSON COUNTY *Not including special taxes, including Fire District Taxes*

Over five years: Est. \$408,630.75  
After five years: Est. \$147,006.75 per year

### EARNINGS INCREASE

*New money in the economy*

Over five years: Est. \$6,040,021  
After five years: Est. \$1,925,850 per year

### INCREASE IN LOCAL TAXES ON PRODUCTION AND IMPORTS

Over five years: Est. \$399,348  
After five years: Est. \$127,331 per year

Data Sources:  
EDPNC Project Summary Form  
Emsi 2020 Q1 Impact Scenario

# PUBLIC HEARING NOTICE- PROJECT 20-20

The Sampson County Board of Commissioners will hold a public hearing on Monday, June 1, 2020 at 6:00 p.m. The purpose of the public hearing is to receive public comment concerning proposed appropriations and expenditures for economic development activity. The proposed economic development activity involves expansion of an existing facility located in Clinton, North Carolina by constructing and placing into service new building improvements, fixtures, personal property, and manufacturing equipment over a five-year period.

The appropriations and expenditures will be made pursuant to a written incentive agreement. Under this agreement, the County will provide performance-based business incentive payments to PROJECT 20-20 over a five-year period in the amount of \$102,157.69. The incentive payments will be paid out of Sampson County's general fund. The company will commit to making certain capital investments in the County utilizing its own funds as well as One NC Fund grant funding and to maintaining certain levels of new employment.

The potential public benefits anticipated to be derived from this agreement include:

- Taxable investment: **\$17,819,000**
- Estimated property tax revenues (years 1-5 in operation): **\$408,630.75**
- Direct new company employment: **37**

PROJECT 20-20 is an existing company that will expand an existing facility located in Clinton, NC in order to manufacture a soil amendment product. Additional information on the project will be available at the time of the hearing. The terms of any agreement between the County and the company, however, will be subject to further completion and amendment based on comments received at the hearing and continued negotiations between the County and the company. The Board of Commissioners may take action concerning the proposed agreement and the related transactions at a recessed and reconvened meeting at 6:00 p.m. on June 11, 2020 or at a later date.

In the event the State of North Carolina is still under a COVID-19 State of Emergency at the time, the meeting will be held virtually by video conference, and the Board of Commissioners' Auditorium will not be open to the public. In the event the State of North Carolina is no longer under a COVID-19 State of Emergency at the time, the meeting and any recessed and reconvened meetings will be held in the County Auditorium, located at 435 Rowan Road, Building A, Clinton, NC 28328.

## June 1st Remote Meeting Information

If the meeting is held virtually, the meeting will be broadcast live via Facebook Live beginning at 6:00 p.m. on June 1, 2020. Members of the public who wish to listen to the meeting but do not have internet access may do so by dialing the following telephone number and entering the following meeting ID number and password:

- Telephone number: (646) 558-8656
- Meeting ID number: 878 8470 8439
- Password: 690166

Members of the public who wish to address the Board of Commissioners regarding the public hearing may do so by submitting written comments by one of the following means:

- First class mail addressed as follows: Clerk to the Board  
406 County Complex Rd., Bldg. C  
Clinton, NC 28328
- Email addressed as follows: [susanh@sampsonnc.com](mailto:susanh@sampsonnc.com)

Please note that written comments must include the commenter's name and address and must be received by 5:00 p.m. on June 11, 2020 in order to be considered.

Written comments submitted by members of the public will be read aloud by the Clerk and provided as part of the meeting minutes. However, written comments that violate the Board of Commissioners Rules of Procedure and Conduct or Public Comment Policies and Procedures will not be read aloud by the Clerk.

## June 11th Remote Meeting Information

In the event that the Board of Commissioners recesses the meeting to June 11, 2020 and the State of North Carolina is still under a COVID-19 State of Emergency at that time, the reconvened meeting will be broadcast via Facebook Live beginning at 6:00 p.m. Members of the public who wish to listen to any such reconvened meeting but do not have internet access may do so by dialing the following telephone number and entering the following meeting ID number and password:

- Telephone number: (646) 558-8656
- Meeting ID number: 875 8707 6428
- Password: 378181

Additional information on the subject of the hearing is available from Mr. Stephen Barrington, Executive Director, Sampson County Economic Development Commission [telephone (910) 592-8921] during regular business hours.

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF SAMPSON COUNTY  
APPROVING ECONOMIC DEVELOPMENT EXPENDITURE**

**WHEREAS**, N.C. Gen. Stat. § 158-7.1(a) authorizes counties to make appropriations for economic development purposes provided that the appropriations are determined by the governing body of the county to increase the population, taxable property, agricultural industries, employment, industrial output, or business prospects of the county; and

**WHEREAS**, the Sampson County Economic Development Commission, acting on behalf of the Sampson County Board of Commissioners, has negotiated the terms of an economic development agreement that satisfies the requirements of N.C. Gen. Stat. § 158-7.1(h) with an private enterprise in connection with the private enterprise's expansion of an existing facility located in Sampson County in order to manufacture a soil amendment product; and

**WHEREAS**, under the terms of the economic development agreement, the private enterprise will commit to certain performance commitments related to the creation of new jobs and capital investments that will result in an increase in taxable property in Sampson County; and

**WHEREAS**, the Sampson County Board of Commissioners has determined, pursuant to G.S. 158-7.1(a), that the appropriation of money described herein and in the proposed economic development agreement will increase the population, taxable property, agricultural industries, employment, industrial output, and business prospects of Sampson County; and

**WHEREAS**, the Sampson County Board of Commissioners has held the public hearing required by N.C. Gen. Stat. § 158-7.1(c);

**NOW, THEREFORE, BE IT RESOLVED:**

1. Pursuant to G.S. 158-7.1 the Sampson County Board of Commissioners hereby approves the above appropriation described in the economic development agreement and herein below;
2. The Sampson County Board of Commissioners hereby agree to provide grant back incentive payments over a five (5) year period in the following amounts:

Year 1.....\$	4,380.75
Year 2.....\$	10,617.75
Year 3.....\$	19,998.00
Year 4.....\$	30,409.50
Year 5.....\$	36,751.69
Total.....\$	102,157.69

3. The private enterprise, upon execution of the Incentive Agreement, will commit to create and maintain jobs for at least thirty-seven (37) new full time equivalent employees and to make direct taxable investment equal to \$17,819,000.00;

4. The Chairman of the Sampson County Board of Commissioners is authorized to execute an economic development agreement in substantially the form as the Incentive Agreement attached to this Resolution;

5. The Sampson County Manager or his designee is authorized and directed to deliver all other certificates, agreements, and instruments and to take all such further actions as may be necessary in furtherance of the transactions contemplated by this Resolution.

**ADOPTED**, this the \_\_\_\_\_ day of June, 2020.

---

CLARK H. WOOTEN, Chairman,  
Sampson County Board of Commissioners

**ATTEST:**

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SUSAN J. HOLDER, Clerk,  
Sampson County Board of Commission



**SAMPSON COUNTY, NORTH CAROLINA**

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**INCENTIVE AGREEMENT**

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**PROJECT 20-20**

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**Dated as of June 11, 2020**

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## INCENTIVE AGREEMENT

**THIS INCENTIVE AGREEMENT**, dated as of June 11, 2020, (as supplemented or amended, the "Agreement"), is between an entity referred to herein as **PROJECT 20-20**, a North Carolina limited liability company registered with the Secretary of State of North Carolina (the "Company" and its affiliates or joint venture partners) and **SAMPSON COUNTY**, a body corporate and politic and a political subdivision of the State of North Carolina (the "County").

### RECITALS

1. The purpose of this Agreement is to describe certain incentives to be provided by the County to the Company in connection with the Company's expansion of a Facility located in the County in order to manufacture a soil amendment product.

2. North Carolina General Statutes § 158-7.1, *et seq.*, authorizes county governments to enter into economic development agreements with private industries where, in the discretion of the county's board of commissioners, the appropriations or expenditures made pursuant to the economic development agreement will increase the population, taxable property, agricultural industries, and business prospects of the county.

3. The Sampson County Board of Commissioners finds that the obligations incurred by the County under the terms of this Agreement serve a public purpose and will lead to an increase in the population, taxable property, agricultural industries, and business prospects of the County.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Agreement, the parties hereby agree as follows:

### **ARTICLE I** **DEFINITIONS; RULES OF CONSTRUCTION**

**1.01. Definitions.** For all purposes of this Agreement, unless the context requires otherwise, the following terms shall have the following meanings:

"Beneficial Occupancy" means the date on which the Company substantially completes the expansion of the Facility contemplated by this Agreement.

"Business Day" means any day that is not a Saturday or a Sunday, or a day on which banks in the State are required by law to be closed.

"Change in Use" means any diversion of or reduction in use of the Facility which would not provide the guaranteed Performance Commitments of Direct Investment or New Full Time Equivalent Employees, as set forth herein.

"Closing Date" means the date on which this Agreement is first executed and delivered by the parties.

"Direct Investment" means the original tax value of new building improvements, fixtures, personal property, and manufacturing equipment placed by the Company on the ad valorem tax rolls of the County.

"Facility" means the real property, new building improvements, fixtures, personal property, and manufacturing equipment intended to be constructed and placed into service by the Company at the location more particularly identified in **Exhibit A**.

"Incentive Payments" has the meaning ascribed to it by the terms of Article II herein.

"Incentives" means the various incentive payments from all sources to the Company, as referred to in this Agreement.

The number of "New Full Time Equivalent Employees" means the number arrived at by dividing the total annual payroll hours paid by 1820, which shall be computed on a calendar year basis ending on December 31st of each year, and the certification of employment shall be provided no later than January 15th of the year following the calendar year in question. However, New Full Time Equivalent Employees for purposes of the payment reduction formula set forth in **Exhibit B** shall be calculated by dividing the total payroll hours paid by 1820, computed on the twelve (12) months immediately preceding the incentive payment date in question, which certification of employment shall be provided no later than the fifteenth (15th) day after the termination of the twelve (12) month period immediately preceding the incentive payment date in question.

"Occupancy Date" means the date on which the Company assumes Beneficial Occupancy of the Facility as contemplated by this agreement.

"Performance Commitment(s)" has the meaning ascribed to it by the terms of Articles II and IV herein.

"State" means the State of North Carolina.

**1.02. Rules of Construction.** Unless the context otherwise indicates.

(a) Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine and neuter genders as well.

(b) All references to Articles, Sections or Exhibits are references to Articles, Sections and Exhibits of this Agreement,

(c) All references to officers are references to County officers.

(d) The headings herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

**ARTICLE II**  
**INCENTIVE PAYMENTS**

The County will provide for Incentive Payments totaling no more than **one hundred two thousand one hundred fifty and 69/100 dollars (\$102,157.69)**. The timing of these Incentive Payments will be in accordance with the following:

**Year 1.....\$ 4,380.75**

**Year 2.....\$ 10,617.75**

**Year 3.....\$ 19,998.00**

**Year 4.....\$ 30,409.50**

**Year 5.....\$ 36,751.69**

These Incentive Payments shall be made starting in the first year after the year in which the Occupancy Date of the facility occurs, and each year thereafter for a total of **five (5) years**, provided that the Company has not abandoned manufacturing operations in the Facility as defined in Article V herein. In the event that the Company abandons manufacturing operations in the Facility, no further Incentive Payments shall be due and payable from the County. Such Incentive Payments shall be paid in each applicable year only after all taxes or fees owed to the County have been paid in full in that year by the Company and/or any lessor of the Company who is responsible for paying ad valorem taxes on the Direct Investment. The amount of such Incentive Payments shall be reduced proportionate to the amount by which the Company fails to meet its Performance Commitments as set forth in Article IV herein. The formulation of how such Incentive Payments shall be proportionately reduced is set forth in Article V and **Exhibit B** herein. Should the amount of Incentive Payments be proportionately reduced in a year in which the Company fails to meet its Performance Commitments, but in the following year the Company meets its Performance Commitments and exceeds such Performance Commitments by an amount not less than the shortfall from the previous year, then the Company shall be entitled to the difference in the total amount of Incentive Payment the Company would have received from the County the previous year had it met the Performance Commitments for that year and the amount actually received from the County in the previous year.

**ARTICLE III**  
**OTHER INCENTIVE SOURCES**

It is understood by the parties to this Agreement that certain Incentives from sources other than the County may be made available to assist in the expansion of the Facility. The source and amount of these anticipated Incentives are unknown at this time. It is further understood that the County will be supportive of the applications for any such outside Incentives, but that it does not have any control over the approval or amount of these Incentives or how they are paid. The County shall use its best efforts to assist in obtaining this outside grant funding, provided that Incentives from sources other than the County are ultimately outside the control of

the County and are only acknowledged herein but are not otherwise subject to the terms and conditions of this Agreement.

**ARTICLE IV**  
**COMPANY'S COMMITMENTS**

In return for the Incentives set forth herein, which are a competitive necessity for the Company to choose to expand its Facility in the County as contemplated by this Agreement, the Company commits to certain Performance Commitments related to new jobs created and incrementally increased taxes in the County. The parties acknowledge and agree that the consideration for the County to enter into this Agreement is the expectation that the Company will meet or exceed these Performance Commitments. Specifically, the Company agrees to meet or exceed the following Performance Commitments:

(a) The Company will create and maintain in the Facility for the **five (5) year** term of this Agreement, jobs for at least **thirty-seven (37)** New Full Time Equivalent Employees, with such number of New Full Time Equivalent Employees being hired by the end of the each of the following years:

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
<b>New Full Time Equivalent Employees</b>	<b>9</b>	<b>9</b>	<b>5</b>	<b>5</b>	<b>9</b>	<b>37</b>

(b) The Company agrees that the average salary of all New Full Time Equivalent Employees in the Facility shall be no less than **thirty-seven thousand four hundred fifty dollars (\$37,450.00)** per year; however, individual New Full Time Equivalent Employees may have salaries more than or less than thirty-seven thousand four hundred fifty dollars (\$37,450.00), given that this figure represents an average salary for all New Full Time Equivalent Employees

(c) The Company shall expand the Facility as contemplated by this Agreement on the property identified on **Exhibit A** and shall make Direct Investment equal to **seventeen million eight hundred nineteen thousand dollars (\$17,819,000.00)**, as set forth in the table below, and the Direct Investment shall remain as taxable property in the County subject to ad valorem tax assessments for the full **five (5)** year term of this Agreement. However, Incentive Payments shall be determined based upon tax revenues resulting from the amount of Direct Investment

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Totals</b>
<b>Real Property</b>	<b>\$ 24,000</b>	<b>\$ 24,000</b>	<b>\$ 48,000</b>	<b>\$ 48,000</b>	<b>\$ 75,000</b>	<b>\$ 219,000</b>
<b>Personal Property</b>	<b>\$2,100,000</b>	<b>\$3,000,000</b>	<b>\$4,500,000</b>	<b>\$5,000,000</b>	<b>\$3,000,000</b>	<b>\$17,600,000</b>

**ARTICLE V**  
**FAILURE TO MEET PERFORMANCE COMMITMENTS**

Performance Commitments are set forth herein in Article IV and represent the levels of New Full Time Equivalent Employees and Direct Investment that must be achieved by the Company in order to qualify for a complete level of Incentive Payment in any given year.

If a Change in Use occurs in any year prior to the last Incentive Payment to the Company, the amount of the Incentive Payment due in that year, and such payments to be made in later years, shall be reduced on a pro rata basis, to the unweighted average of the percentages the company falls short in the Performance Commitment levels. Examples describing the formula for reduction in the Incentive Payments are set forth in **Exhibit B**. If the Company abandons manufacturing operations in the Facility, as defined in this Article, all future Incentive Payments will be terminated, and the County shall have no obligation to make future Incentive Payments following abandonment of manufacturing operations within the Facility.

In the event that the number of New Full Time Equivalent Employees in the Facility is reduced to ten percent (10%) or less of the Performance Commitment of thirty-seven (37) New Full Time Equivalent Employees, the Company will be conclusively deemed to have abandoned manufacturing operations in the Facility.

The level of New Full Time Equivalent Employees will be verified at the end of each year based upon the Unemployment Tax report required by the Division of Employment Security. Whether or not the Company has maintained equipment and other improvements in the Facility which were a part of the initial Direct Investments for which incentives are being provided shall be determined each year based on tax listings.

**ARTICLE VI**  
**INDEMNIFICATION**

The Company hereby agrees to indemnify, protect and hold harmless the County, and its officers, directors, and employees from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including reasonable attorneys' fees, arising out of, connected with, or resulting directly or indirectly from the Facility or the transactions contemplated by or relating to this Agreement, including without limitation, the possession, condition, construction or use thereof, insofar as such matters relate to events subject to the control of the Company and not the County. The indemnification arising under this Article shall survive the Agreement's termination.

**ARTICLE VII**  
**TERMINATION OF AGREEMENT**

Upon the occurrence of either of the following events, the Company shall have the option of terminating this Agreement: (a) failure of the County to provide Incentive Payments as provided for in Article II herein; or (b) payment in full of Incentive Payments from all sources.

**ARTICLE VIII**  
**ADJUSTMENTS OF PERFORMANCE COMMITMENTS**

All of the parties to this Agreement agree that if the Company determines in the future that, due to technical advances, it can significantly exceed the Performance Commitments of Direct Investment, but will need less than the Performance Commitments of New Full Time Equivalent Employees, all parties will negotiate in good faith to amend the agreed upon Performance Commitments and formulations for reductions set forth in **Exhibit B**.

**ARTICLE IX**  
**ASSIGNMENTS**

No party shall sell or assign any interest in or obligation under this Agreement without the prior express written consent of all the parties. Provided, however, that this Agreement may be assigned by the Company to a wholly owned subsidiary of the Company, without the consent of all other parties, provided that the Company will guarantee the performance by the Subsidiary of the obligations due under this Agreement.

**ARTICLE X**  
**LIMITED OBLIGATION OF COUNTY**

**NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE FAITH AND CREDIT OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED OR INTERPRETED AS DELEGATING GOVERNMENTAL POWERS NOR AS A DONATION OR A LENDING OF THE CREDIT OF THE COUNTY WITHIN THE MEANING OF THE STATE CONSTITUTION. THIS AGREEMENT SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE COUNTY TO MAKE ANY PAYMENTS BEYOND THOSE APPROPRIATED IN THE COUNTY'S SOLE DISCRETION FOR ANY FISCAL YEAR IN WHICH THIS AGREEMENT SHALL BE IN EFFECT. NO PROVISION OF THIS AGREEMENT SHALL BE CONSTRUED TO PLEDGE OR TO CREATE A LIEN ON ANY CLASS OR SOURCE OF THE COUNTY'S MONEYS, NOR SHALL ANY PROVISION OF THE AGREEMENT RESTRICT TO ANY EXTENT PROHIBITED BY LAW, ANY ACTION OR RIGHT OF ACTION ON THE PART OF ANY FUTURE COUNTY GOVERNING BODY. TO THE EXTENT OF ANY CONFLICT BETWEEN THIS ARTICLE AND ANY OTHER PROVISION OF THIS AGREEMENT, THIS ARTICLE SHALL TAKE PRIORITY.**

**ARTICLE XII**  
**MISCELLANEOUS**

**12.01. Governing Law.** The parties intend that this Agreement shall be governed by the laws of the State of North Carolina. The sole jurisdiction for the hearing of any disputes arising

hereunder shall be in the Superior Court Division of the General Court of Justice of Sampson County, North Carolina.

**12.02. Notices.**

(a) Any communication required or permitted by this Agreement must be in writing except as expressly provided otherwise in this Agreement

(b) Any communication shall be sufficiently given and deemed given when delivered by hand or five days after being mailed by first-class mail, postage prepaid, and addressed as follows:

(1) If to the Company, to:

(2) If to the County, to:

**Sampson County**  
Attention: Sampson County Manager  
406 County Complex Road  
Clinton, North Carolina 28328

**12.03. Non-Business Days.** If the date for making any payment or the last day for performance of any act or the exercising of any right shall not be a Business Day, such payment shall be made or act performed or right exercised on or before the next preceding Business Day.

**12.04. Severability.** If any provision of this Agreement shall be determined to be unenforceable, that shall not affect any other provision of this Agreement.

**12.05. Entire Agreement; Amendments.** This Agreement, including Exhibits A through B attached, which are incorporated herein and made a part hereof, constitutes the entire contract between the parties, and this Agreement shall not be changed except in writing signed by all the parties.

**12.06. Binding Effect.** Subject to the specific provisions of this Agreement, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

**12.07. Time.** Time is of the essence in this Agreement and each and all of its provisions.

**12.08. Liability of Officers and Agents.** No officer, agent, or employee of the County shall be subject to any personal liability or accountability by reason of the execution of this Agreement or any other documents related to the transactions contemplated hereby. Such officers, agents, or employees shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve any such officer, agent, or employee from the performance of any official duty provided by law.



**12.09. Counterparts.** This Agreement may be executed in several counterparts, including separate counterparts. Each shall be an original, but all of them together constitute the same instrument.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed in their corporate names by their duly authorized officers, all as of the date first above written.

**PROJECT 20-20**

**ATTEST:**

By \_\_\_\_\_ [SEAL]

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_, Secretary

**SAMPSON COUNTY**

**ATTEST:**

By \_\_\_\_\_ [SEAL]

**Clark H. Wooten, Chairman  
Sampson County Board of Commissioners**

\_\_\_\_\_  
Name: Susan J. Holder,  
Clerk to the Sampson County Board of Commissioners

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act

\_\_\_\_\_  
David Clack,  
Finance Officer, Sampson County, North Carolina

**EXHIBIT A**  
**FACILITY DESCRIPTION**

**EXHIBIT B**  
**SCHEDULE FOR REDUCTION OF FIVE YEAR INCENTIVEMENT PAYMENTS**

In any year that the County has agreed to make an Incentive Payment that the Company fails to meet the Performance Commitments set forth in Article IV herein for either Direct Investment or the number of New Full Time Equivalent Employees (“NFTEE”), or both, the amount of Incentive Payment paid for that year to the Company shall be decreased by a pro rata amount of that year’s Incentive Payment, which pro rata amount shall be computed as the unweighted average amount of percentages by which the Company failed to meet the Performance Commitments for Direct Investment, NFTEE, or both.

**Example 1. *Direct Investment Shortage.*** After Year 3, the Company has 80% of the amount of New Capital Investment, but 100% or more of NFTEE, the Incentive Payment for that year would be 90% of **\$19,998.00**, or **\$17,998.20**.

**Example 2. *NFTEE Shortage.*** After Year 4, the Company has 100% of the amount of New Capital Investment, but only 90% of NFTEE, the Incentive Payment for that year would be 95% of **\$30,409.50**, or **\$28,889.03**.

**Example 3. *Direct Investment and NFTEE Shortage.*** After Year 5, the Company has 80% of New Capital Investment, and 75% of NFTEE, the Incentive Payment for that year would be 77.5% of **\$36,751.69**, or **\$26,157.56**.

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**SAMPSON COUNTY  
BOARD OF COMMISSIONERS**

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ITEM ABSTRACT

ITEM NO. 4 (a)

Meeting Date: June 11, 2020

<input type="checkbox"/>	Information Only	<input type="checkbox"/>	Public Comment
<input type="checkbox"/>	Report/Presentation	<input type="checkbox"/>	Closed Session
<input checked="" type="checkbox"/>	Action Item	<input type="checkbox"/>	Planning/Zoning
<input type="checkbox"/>	Consent Agenda	<input type="checkbox"/>	Water District Issue

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SUBJECT: Appointments

DEPARTMENT: Governing Body

PUBLIC HEARING: No

CONTACT PERSON: Vice Chairperson Sue Lee

PURPOSE: To consider appointments to various boards and commissions

Social Services Advisory Board

Board member David Richert recently filled the remainder of Mr. Robert Werner's first term, and that term will end June 30, 2020. DSS is requesting the reappointment of Mr. Richert.

**COUNTY OF SAMPSON  
BUDGET AMENDMENT**

**MEMO:**

FROM: David K. Clack, Finance Officer  
 TO: Sampson County Board of Commissioners  
 VIA: County Manager & Finance Officer  
 SUBJECT: Budget Amendment for fiscal year 2019-2020

1. It is requested that the budget for the Plain View Fire District be amended as follows:

<u>Expenditure Account Code</u>	<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
23243410-581018	Plain View Fire Department	20,000.00	

<u>Revenue Account Code</u>	<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
23043418-499900	Fund balance appropriated	20,000.00	

2. Reason(s) for the above request is/are as follows:  
 To allocate funds for repair to parking lot due to a sink hole.

  
 \_\_\_\_\_  
 (Signature of Department Head)

**ENDORSEMENT**

1. Forwarded, recommending approval/disapproval.

\_\_\_\_\_, 20 20  
  
 \_\_\_\_\_  
 (County Finance Officer)

**ENDORSEMENT**

1. Forwarded, recommending approval/disapproval.

\_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
 Date of approval/disapproval by B.O.C.

\_\_\_\_\_  
 (County Manager & Budget Officer)