

**RESOLUTION AUTHORIZING AN OPTION TO LEASE PROPERTY LOCATED  
AT 11217 PROVIDENCE ROAD WEST AND PORTION OF 15024  
BALLANCROFT PARKWAY TO TRUIST BANK**

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**WHEREAS**, the City of Charlotte (“City”) and CSE Communities, LLC, a North Carolina limited liability company (“CSE”) entered into that certain Option Agreement dated January 19, 2023, as amended by that First Amendment dated May 17, 2023; by that Second Amendment dated January 16, 2024, and by that Third Amendment dated May 27, 2024 (collectively, the “Option Agreement”) for the ground lease of City owned property located at 11217 Providence Road West, and a portion of 15024 Ballancroft Parkway (the “Property”), upon terms and conditions all as more particularly set forth in the Option Agreement and pursuant to Resolution of the City adopted June 12, 2023 (Resolution Book 54, Page 056);

**WHEREAS**, Truist Bank and its successors and assigns (“Truist”) are the “Lender” to CSE for the proposed affordable housing development on the Property;

**WHEREAS**, as a condition to its loan, Truist desires to have an option to ground lease the Property in the event the ground lease between the City of Charlotte and Ballantyne Housing, LLC (a CSE Communities, LLC managed limited liability company) of and concerning the Property (the “Lease”) is rejected or terminated in, or as a result of, i) a bankruptcy action or similar proceeding, ii) the exercise of Lender’s right to foreclosure on its leasehold deed of trust encumbering the Property or iii) is otherwise terminated prior to the maturity of the funding loan for the development of affordable housing on the Property without the consent of the Lender. The new lease shall be for the same terms and conditions as the Lease and shall be for such term as remained on the Lease at the time of such termination;

**WHEREAS**, notice of the option to ground lease to Truist Bank, or its subsidiary/affiliate entity for affordable housing lender, was advertised at least thirty (30) days prior to the adoption of this Resolution in accordance with the City Charter and North Carolina General Statutes.

**NOW THEREFORE, BE IT RESOLVED** the City Council for the City of Charlotte, hereby authorizes conveyance of an Option to Truist, which option may be exercised in the event the aforementioned Lease of the Property between the City of Charlotte and Ballantyne Housing, LLC is rejected or terminated in, or as a result of, a bankruptcy action or similar proceeding, the exercise of Lender’s right to foreclosure on its leasehold deed of trust encumbering the Property or is

otherwise terminated prior to the maturity of the funding loan for the development of affordable housing on the Property without the consent of the Lender; and the City Manager, or his designee, is authorized to execute all instruments incident thereto and in conformity herewith.

THIS THE 24<sup>TH</sup> DAY OF JUNE 2024.