APPALACHIAN MOUNTAIN HEALTH

and

BUNCOMBE COUNTY, NORTH CAROLINA

ECONOMIC DEVELOPMENT AGREEMENT

Dated as of October 20, 2026

ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT ("**Agreement**") is dated as of 20th day of October, 2026 ("**Effective Date**"), and is between **APPALACHIAN MOUNTAIN HEALTH,** a North Carolina federally qualified health center facility (FQHC), and **BUNCOMBE COUNTY**, a public body politic and a political subdivision of the State of North Carolina ("County").

R E C I T A L S:

WHEREAS, **APPALACHIAN MOUNTAIN HEALTH** is a federally qualified health center (FQHC) and health care provider located in Western North Carolina and headquartered in Asheville, NC;

WHEREAS, **APPALACHIAN MOUNTAIN HEALTH** currently employs 240 employees across its existing health care facilities and proposes to expand to a new facility in Eastern Buncombe County, located at 3160 US-Highway 70, Black Mountain, NC 28711 ("Facility");

WHEREAS, **APPALACHIAN MOUNTAIN HEALTH** desires to expand the Facility by investing $14,591,626, $2,544,153 million of which are eligible expenses under the North Carolina Department of Commerce Building Reuse program, and creating 48 new full-time project related jobs that pay an average wage of $39.81, not including benefits ("Project");

WHEREAS, the County has sought to support this project by applying to the North Carolina Department of Commerce for a Building Reuse grant in support of **APPALACHIAN MOUNTAIN HEALTH'S** capital investment to renovate their new facility and in support of the creation and retention of jobs in the course of completing the renovations and construction work.

WHEREAS, the County received notification from the North Carolina Department of Commerce of a contingent award of $480,000 for the Building Reuse grant.

WHEREAS, the Building Reuse grant award is contingent on a 5% grant match from a non-State, non-Federal funding source, which has been secured through a letter of commitment from Dogwood Health Trust for $25,000; and as a component of this State Program, the County, as the applicant, is required to administer the State Program and the County has agreed to do so and accepted the grant award.

WHEREAS, when approved and executed, this Economic Development Agreement will meet the State Program's grant administration requirements.

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

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

"Abandonment of Operations" means that for a period in excess of four continuous months APPALACHIAN MOUNTAIN HEALTH ceases operations at the Facility.

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

"Confirmation Date" means the scheduled future dates when **APPALACHIAN MOUNTAIN HEALTH** will submit a certified confirmation letter to the County stating that all investment and job creation commitments have been met or maintained during the Retention Period as defined below. The Confirmation Dates for this agreement include April 30, 2027, April 30, 2028, and December 31, 2028.

"Confirmation Letter" means a certified letter submitted by APPALACHIAN MOUNTAIN HEALTH to the County certifying that commitments have been met and requesting release of incentive grants, or that commitments have been maintained during the said Retention Period. Each such letter must specifically state that **APPALACHIAN MOUNTAIN HEALTH** meets or exceeds the applicable Jobs Minimum and that it meets or exceeds the Direct Investment requirements on or before the Confirmation Date and each succeeding Confirmation Date during the said Jobs Retention Period.

"Eligible Expenses" means the improvements to real property that are eligible costs under the North Carolina Department of Commerce Building Reuse grant program.

"Facility" the Property and improvements located at Sand Hill Rd, Enka, North Carolina.

"Full-Time Project Related Jobs" means the total number of new full-time employees employed by APPALACHIAN MOUNTAIN HEALTH in connection with the Project as of August 31st, 2028. Such employees may be hired at any time on or prior to August 31st, 2028, so long as APPALACHIAN MOUNTAIN HEALTH hires the required number of new full-time employees as specified herein being paid at the average wages as set forth herein. "Part-Time" or "Temporary" employees may not be counted towards the "Full-Time Project Related Jobs" commitment. Full-Time Project Related Jobs in this agreement refers to the APPALACHIAN MOUNTAIN HEALTH's creation of 48 new full-time jobs that pay an average wage of $39.81, not including benefits.

"Project" has the meaning specified in the Recitals.

"Retention Period" is the period of time that the APPALACHIAN MOUNTAIN HEALTH must maintain jobs and investment commitments. For this agreement, the Retention Period is February 29th, 2028 to August 31st, 2028.

"State" means the State of North Carolina.

"State Program" means the N.C. Commerce Building Reuse Grant Program.

1.2 **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; and

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

ARTICLE II

2. The Recitals set forth above, along with the definitions of certain terms are incorporated herein by reference as if fully restated.

ARTICLE III

STATE PROGRAM

The parties understand and agree that the State Program is separate and apart from the terms and conditions of this Economic Development Agreement.

For purposes of administration of the State Program, APPALACHIAN MOUNTAIN HEALTH understands that the Milestone Dates for compliance with reporting requirements with regard to the State Program shall be April 30, 2027, April 30, 2028, and October 15, 2028. The April 2027 and April 2028 confirmation letters will serve to support required annual reporting and the December 2028 confirmation letter will include Appalachian Mountain Health's request for disbursement of the building reuse grant, based on performance outcomes. APPALACHIAN MOUNTAIN HEALTH will cooperate and take all necessary and appropriate actions to assist with the County's administration of the State Program, including providing documentation for all reports, which are due on January 15 and July 15 of each year.

The funds associated with the State program will be disbursed according to the State Grant Agreement, outlined in the below schedule.

Confirmation Date	Disbursement Date	Job Commitment	Eligible Expenses	State Grant Amount
April 30, 2027	N/A	Progress Report	Progress Report	N/A
April 30, 2028	N/A	Progress Report	Progress Report	N/A
October 15, 2028	December 31, 2028	48	$2,544,153.37	$480,000

State program funds will not be drawn down from the State by the County and disbursed to the company until the performance requirements are met and the supporting documentation has been provided. The confirmation letters outlined above will meet N.C. Commerce's reporting requirements. Upon completion of grant activities and confirmation that performance goals have been met, APPALACHIAN MOUNTAIN HEALTH will submit a Confirmation Letter to the County and show documentation of the Dogwood Health Trust match payment for the State Program ($25,000). An example of the Confirmation Letter and documentation is provided in Section IX.

APPALACHIAN MOUNTAIN HEALTH understands and agrees that the county is assisting with the State Program as an accommodation to APPALACHIAN MOUNTAIN HEALTH, Inc. Accordingly, APPALACHIAN MOUNTAIN HEALTH shall indemnify, defend and hold harmless the County and its subsidiaries divisions, officers, directors and employees from all liability, loos, costs, claims, damages, expenses, attorney fees, judgements and awards arising or claimed to have arisen, from any injury or financial damage caused by, or allegedly caused by, either in whole or in part, any act or omission of the County or any employee, agent or assignee of the County. APPALACHIAN MOUNTAIN HEALTH shall indemnify the County in all instances except where the County is primarily negligent through an act or omission or where the County engages in gross negligence or willful misconduct. Nothing herein shall be construed as a waiver on the part of the County to any defense of any claim, including, but not limited to the defense of governmental immunity.

And that the county's obligations under this paragraph shall be limited to the extent and manner of recovery pursuant to the County's self-insured claim policies and North Carolina law.

ARTICLE IV

TEMPORARY REDUCTIONS IN PERFORMANCE COMMITMENTS

Notwithstanding anything herein to the contrary, if APPALACHIAN MOUNTAIN HEALTH shall be prevented or delayed from fulfilling, or continuing to fulfill, either or both of the Performance Commitments as set forth in herein, by reason of a:

(e) government moratorium;

(f) delay in obtaining any governmental or quasi-governmental approvals, permits or certificates, despite reasonable efforts by APPALACHIAN MOUNTAIN HEALTH to obtain same;

(g) enemy or hostile governmental or terrorist action;

(h) act of God, including but not limited to hurricane, tornado, snowstorm, windstorm, earthquake or flood, fire or other extreme weather conditions or other casualty;

(i) strike, lockout or a labor dispute involving entities other than APPALACHIAN MOUNTAIN HEALTH which causes APPALACHIAN MOUNTAIN HEALTH an inability to obtain labor or materials;

(j) delay in funding from any state or local government incentive to or for the benefit of APPALACHIAN MOUNTAIN HEALTH, or;

(k) any other event, other than normal business exigencies, which is beyond the reasonable control of APPALACHIAN MOUNTAIN HEALTH.

then the Performance Commitments and Incentive Grants for the year(s) in which such event occurred shall be equitably reduced to reflect the effect of such event.

The parties shall negotiate in good faith to make an equitable reduction in the Performance Commitments for any affected year(s). However, if the parties cannot in good faith reach an agreement as to such adjustment, all parties agree to submit this issue to mediation to be conducted in accordance with local rules of the General Court of Justice of Buncombe County, North Carolina.

ARTICLE V

ASSIGNMENT

APPALACHIAN MOUNTAIN HEALTH will have the right to assign this Agreement, and any rights, privileges, or claims under this Agreement, to any future purchaser or lessee of the Facility without the consent of the County. If the assignee agrees in writing to assume APPALACHIAN MOUNTAIN HEALTH's obligations under this Agreement, then APPALACHIAN MOUNTAIN HEALTH will be relieved of its obligations under this Agreement. APPALACHIAN MOUNTAIN HEALTH will give the County written notice of any such assignment and assumption.

APPALACHIAN MOUNTAIN HEALTH may, without the consent of the County, pledge, mortgage, grant a security interest in, and collaterally assign this Agreement, and any rights, privileges or claims under this Agreement, to any person or entity, including a collateral agent acting on behalf of lenders providing financing for the Facility (collectively, "**Financing Parties**"). The County will cooperate with APPALACHIAN MOUNTAIN HEALTH, its affiliates, any assignee of this Agreement, and any Financing Parties from time to time, including by entering into a consent to assignment or other agreements in connection with any collateral assignment on such terms as may be customary under the circumstances and shall be reasonably required by such Financing Parties.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

APPALACHIAN MOUNTAIN HEALTH represents and warrants to the County that as of the Effective Date: (i) it is a 501(C)(3) and Federally Qualified Health Center (FQHC) duly organized and existing under the laws of the State of North Carolina; (ii) it has the power and authority to own its properties and assets and to carry on its business as now being conducted and has the power and authority to execute and perform this Agreement; (iii) this Agreement (A) is the legal, valid and binding agreement of APPALACHIAN MOUNTAIN HEALTH, enforceable against APPALACHIAN MOUNTAIN HEALTH in accordance with its terms, (B) does not violate any order of any court or other agency of government binding on APPALACHIAN MOUNTAIN HEALTH or the charter documents of APPALACHIAN MOUNTAIN HEALTH, and (C) does not conflict with, result in a breach of, or constitute an event of default under any material indenture, agreement or other instrument to which APPALACHIAN MOUNTAIN HEALTH is a party; and (iv) APPALACHIAN MOUNTAIN HEALTH has not received written notice of any action or proceeding that challenges the validity of this Agreement or APPALACHIAN MOUNTAIN HEALTH's right and power to enter into and perform this Agreement.

The County represents and warrants to APPALACHIAN MOUNTAIN HEALTH that: (i) the County is a political subdivision and body politic of the State of North Carolina with power and authority to enter into and perform this Agreement; (ii) the County has taken all action necessary to authorize the execution, delivery and performance of this Agreement; (iii) this Agreement is a legal, valid, and binding obligation of the County, enforceable against the County in accordance with its terms; and (iv) the County has not received written notice of any action or proceeding that challenges the validity of this Agreement or the County's right and power to enter into and perform this Agreement.

ARTICLE VII

CONTINUING CONTRACT

The parties hereto understand that this Agreement is and shall be construed as a continuing contract pursuant to N.C.G.S. §153A-13.

ARTICLE VIII

MISCELLANEOUS

Governing Law. The parties intend that this Agreement shall be governed by the law of the State of North Carolina as follows:

Mediation

- Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be subject to voluntary non-binding mediation as a condition precedent to the institution of legal or equitable proceedings by either party. If the parties are unable to agree upon a certified mediator to hear their dispute, the Buncombe County Resident Superior Court Judge shall name a mediator to hear the matter.
- The parties shall equally share the mediator's fee. The mediation shall be held in Asheville at a location designated by the mediator selected to hear the matter.

Legal Proceedings

- Claims, disputes and/or other matters in question between the parties that are not resolved by mediation shall be heard in the North Carolina General Courts of Justice in Asheville, Buncombe County, North Carolina, which said Court shall have jurisdiction to hear any dispute between the parties arising out of this agreement. The Parties hereby agree that this paragraph establishes exclusive and sole jurisdiction for any legal proceeding in Buncombe County, North Carolina.

Notices. Any notice permitted or required under this Agreement from one party to the other must be in writing and will be effective (a) on the date it was actually delivered to the addressee if delivered personally, or sent by a nationally recognized courier (such as FedEx or United Parcel Service) or sent by facsimile or email with return receipt requested, or (b) three days after having been deposited in the United States mail, if sent by certified mail, return receipt request, in each case to the respective addresses of APPALACHIAN MOUNTAIN HEALTH and the County listed below, or those other addresses

of which either party gives the other party written notice:

If to APPALACHIAN MOUNTAIN HEALTH, to:

Dr. Shantelle Simpson
President and CEO
141 Asheland Ave., 3rd Fl
Asheville, NC 28801
ssimpson@amchc.org

OR

Lisa Madden
Chief Financial Officer
141 Asheland Ave., 3rd Fl
Asheville, NC 28801
lmadden@amchc.org

If to the County, to:

Josh Hallingse
Director of Intergovernmental Relations
200 College Street, Suite 300
Asheville, NC 28801
Josh.Hallingse@buncombenc.gov

With copy to:

Curt Euler
Buncombe County
Senior Staff Attorney
200 College Street, Suite 400
Asheville, NC 28801
Curt.Euler@buncombenc.gov

Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others.

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.

Severability. Each provision in this Agreement is severable. If any provision of this Agreement will be determined to be invalid or unenforceable by a court of competent jurisdiction, then: (a) such determination will not invalidate or render unenforceable any other provision of this Agreement; (b) such provision will be construed as closely as possible to the parties' original intent in order to render such provision valid or enforceable, as applicable; and (c) the remaining terms of this Agreement, together with such reconstructed provision, will constitute the parties' entire agreement.

Entire Agreement; Amendments. This Agreement constitutes the entire contract between the

parties, and this Agreement shall not be changed except in writing signed by both parties.

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.

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

Liability of Directors, Officers and Agents. No director, officer, agent or employee of the County or APPALACHIAN MOUNTAIN HEALTH 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.

Confidentiality. The County will keep confidential and will not disclose or publish any of APPALACHIAN MOUNTAIN HEALTH's trade secrets as defined in Section 132-1.2(1) of the North Carolina General Statutes, will keep all records evidencing such trade secrets marked as "confidential trade secrets", and will keep all such records segregated in the County's files. If the County receives a request, subpoena or court order to disclose any information or records APPALACHIAN MOUNTAIN HEALTH or its representatives have provided or provide in the future relating to this Agreement or the project described in this Agreement, the County will give APPALACHIAN MOUNTAIN HEALTH prompt written notice of the request, subpoena or court order and will discuss any proposed disclosure of such information or records with APPALACHIAN MOUNTAIN HEALTH (and, to the extent possible, give APPALACHIAN MOUNTAIN HEALTH the opportunity to contest any disclosure of information or records APPALACHIAN MOUNTAIN HEALTH believes should not be disclosed) before making any such disclosure.

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.

ARTICLE IX

CONFIRMATION LETTER AND DOCUMENTATION

APPALACHIAN MOUNTAIN HEALTH agrees to submit a Confirmation Letter with Supporting Documentation when requesting disbursement of grant funds, or when certifying that performance commitments have been maintained. A sample confirmation letter is provided below. Acceptable forms of documentation are filings by APPALACHIAN MOUNTAIN HEALTH with the N.C. Employment Security Commission as to unemployment compensation taxes, and filings by APPALACHIAN MOUNTAIN HEALTH with the Buncombe County Tax Department as to business personal property listings. The below confirmation letter and associated language are for illustrative purposes and do not reflect any agreement between **APPALACHIAN MOUNTAIN HEALTH** and County.

Sample Confirmation Letter

To Whom It May Concern,

This statement made as of the _____ day of _____, 20## by _____ ("Company") is intended to certify that Company has [achieved / not achieved, maintained / not maintained] the investment, job creation, and average wage goals identified in the Economic Development Agreement (EDA) with Buncombe County. If any of the goals are not met, the exceptions are documented in this letter. Where all goals have been achieved, this letter serves as Company's request for disbursement based on the grant schedule defined in the EDA.

Company recognizes that building reuse grants can only be awarded if Company certifies that all goals have been met and provides adequate supporting documentation for these targets. Supporting documentation includes records showing the payment of matching funds by the philanthropic partner, Dogwood Health Trust. Company further realizes that all supporting documentation is subject to review by County staff. Company acknowledges that the definition and requirements for adequate supporting documentation are documented in the EDA.

Below is a summary of EDA goals and actual performance.

Type	**Goal (for Year Requesting Disbursement)**	**Actual Performance (for Year Requesting Disbursement)**	**Goal Status (Achieved, Not Achieved)**	**Prior Year**	**Total (since EDA Award)**
Eligible Expenses	$5,000,000.00	$5,123,987.00	Achieved	$1,234,698.15	$8,000,000
Jobs (Full-Time)	47	47	Achieved	12	64
Average Wage	$25.97	$32.23	Achieved	$15.05	$29.00

Enclosed please find supporting documentation for the data provided above.

BY: _____
[Chief Executive Officer/Chief Financial Officer/President]

ATTEST:

_____
NAME, APPALACHIAN MOUNTAIN HEALTH

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, _____, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged that s/he is the TITLE of APPALACHIAN MOUNTAIN HEALTH a North Carolina for profit corporation, and that as TITLE, being authorized to do so, voluntarily executed the foregoing instrument on behalf of the corporation, as its act and deed.

Witness my hand and official stamp or seal, this the ____ day of _____, ____.

_____
Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the Grantor executes the foregoing instrument in the ordinary course of its business by the signature(s) below of its duly authorized representative(s) and as the act of such entity.

APPALACHIAN MOUNTAIN HEALTH

By: _____
NAME / TITLE

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

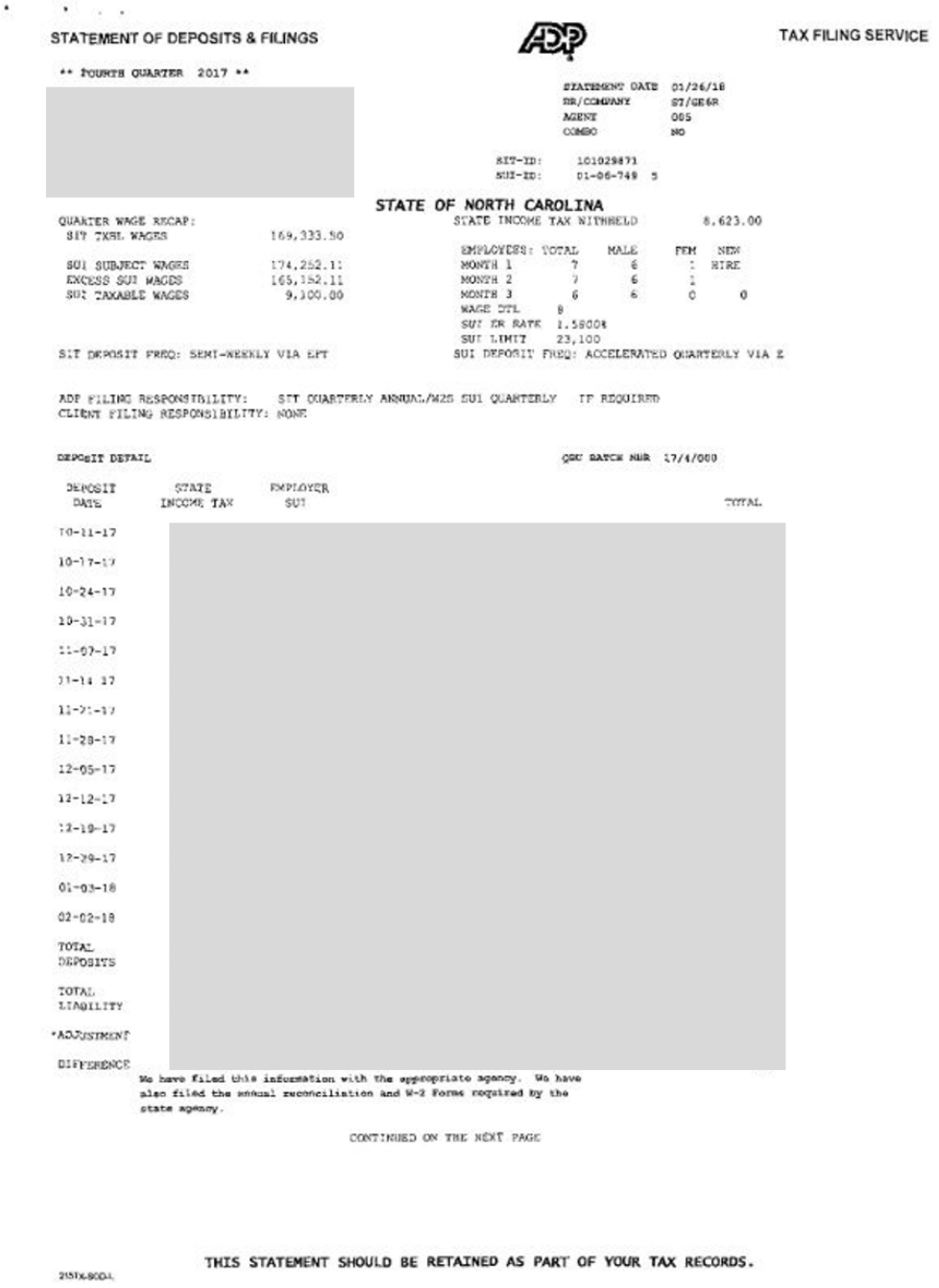
I, _____, a Notary Public of the County and State aforesaid, certify that _____ personally appeared before me this day and acknowledged his due execution of the foregoing instrument as a Member/Manager of APPALACHIAN MOUNTAIN HEALTH, a North Carolina limited liability company, on behalf of said limited liability company, by authority duly vested.

Witness my hand and official stamp or seal, this the ____ day of _____, ____.

_____
My commission expires: NOTARY PUBLIC

Sample Supporting Job and Wage Documentation

Example job documentation with redacted information. Submitted documentation should redact personal information (e.g., social security numbers), but provide level of detail necessary to calculate number of full-time jobs employed during the period and average wage of full-time jobs in the period.



STATEMENT OF DEPOSITS & FILINGS

TAX FILING SERVICE

** FOURTH QUARTER 2017 **

[redacted]

STATEMENT DATE 01/26/18
DR/COMPANY ST/GE6R
AGENT 005
COMBO NO

SIT-ID: 101029871
SUI-ID: 01-06-749 5

STATE OF NORTH CAROLINA

QUARTER WAGE RECAP:

SIT TAXBL WAGES	169,333.50
SUI SUBJECT WAGES	174,252.11
EXCESS SUI WAGES	165,152.11
SUI TAXABLE WAGES	9,100.00

STATE INCOME TAX WITHHELD 8,623.00

EMPLOYERS:	TOTAL	MALE	FEM	NEW HIRE
MONTH 1	7	6	1	
MONTH 2	7	6	1	
MONTH 3	6	6	0	0

WAGE TTL 8
SUI ER RATE 1.5800%
SUI LIMIT 23,100

SIT DEPOSIT FREQ: SEMI-WEEKLY VIA EFT

SUI DEPOSIT FREQ: ACCELERATED QUARTERLY VIA E

ADP FILING RESPONSIBILITY: SIT QUARTERLY ANNUAL/W2S SUI QUARTERLY IF REQUIRED
CLIENT FILING RESPONSIBILITY: NONE

DEPOSIT DETAIL

QBC BATCH NBR 17/4/000

DEPOSIT DATE	STATE INCOME TAX	EMPLOYER SUI	TOTAL
10-11-17			
10-17-17			
10-24-17			
10-31-17			
11-07-17			
11-14-17			
11-21-17			
11-28-17			
12-05-17			
12-12-17			
12-19-17			
12-29-17			
01-03-18			
02-02-18			
TOTAL DEPOSITS			
TOTAL LIABILITY			
*ADJUSTMENT			
DIFFERENCE			

We have filed this information with the appropriate agency. We have also filed the annual reconciliation and W-2 Forms required by the state agency.

CONTINUED ON THE NEXT PAGE

THIS STATEMENT SHOULD BE RETAINED AS PART OF YOUR TAX RECORDS.

215TX-SCD1

[Signature Page Follows]

SIGNATURE PAGE 1 OF 2 TO ECONOMIC DEVELOPMENT AGREEMENT BETWEEN
APPALACHIAN MOUNTAIN HEALTH**, and BUNCOMBE COUNTY**

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

[SEAL]

APPALACHIAN MOUNTAIN HEALTH

ATTEST:

By:_____
Printed Name: Dr. Shantelle Simpson

By:
Title: President and CEO
Printed Name:
Title:

[SEAL]

APPALACHIAN MOUNTAIN HEALTH

ATTEST:

By:_____
Printed Name: Lisa Madden

By:
Title: Chief Financial Officer
Printed Name:
Title:

SIGNATURE PAGE 2 OF 2 TO ECONOMIC DEVELOPMENT AGREEMENT BETWEEN
APPALACHIAN MOUNTAIN HEALTH **CO., LLC, and BUNCOMBE COUNTY**

[SEAL]

BUNCOMBE COUNTY

ATTEST:

By:_____
Printed Name:_____
Title:_____

_____
Sarah Gross, Clerk to the Board

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

_____
Name: Melissa Moore
Finance Officer
Buncombe County, North Carolina