

November 6, 2025

Partners Health Management
Attn: Elizabeth A. McCraw
CEO/Area Director
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Gastonia, NC 28054
lmccraw@partnersbhm.org

Gaston County
Attn: Matthew Rhoten
County Manager
P.O. Box 1578
Gastonia, NC 28053
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RE: Letter of Intent for Purchase of Real Property

Property: 1904 Dallas Cherryville Hwy, Dallas, NC 28034 (The "Mary Ellen Nelson Center")

This Letter of Intent ("LOI") sets forth the preliminary, non-binding terms and conditions under which **Partners Health Management**, a North Carolina local management entity/managed care organization and local political subdivision of the State of North Carolina, or its designated affiliate ("Buyer"), proposes to purchase from **Gaston County**, also a political subdivision of the State of North Carolina ("Seller"), the real property described below.

- 1. Property:** The property which is the subject of this proposal is commonly known as the "Mary Nelson Center," located at 1904 Dallas Cherryville Highway, Dallas, NC 28034. The property consists of approximately 21.4600 acres, together with all improvements, fixtures, and appurtenances thereon. (Gaston County Parcel ID: 170825). Hereinafter, this is referred to as the "Property."
- 2. Purchase Price:** The proposed purchase price for the Property shall be Two Million Six Hundred Thousand and 00/100 Dollars (\$2,600,000.00) (the "Purchase Price"), payable in cash or other immediately available funds at Closing.
- 3. Earnest Money Deposit:** Within five (5) business days following the full execution of the Purchase and Sale Agreement (PSA), Buyer shall deliver to Seller an earnest money deposit in the amount of Fifty Thousand and 00/100 Dollars (\$50,000.00) (the "Deposit"). The Deposit shall be held by Seller and shall be applied as a credit toward the Purchase Price at Closing. The Deposit shall be refundable to Buyer if Buyer terminates the PSA for any or no reason prior to the expiration of the Due Diligence Period, but shall become non-refundable thereafter, except in the case of Seller's default.
- 4. Statutory Authority:** The parties acknowledge that this proposed transaction is intended to be a private sale from one governmental entity (Seller) to another (Buyer) for consideration, as authorized under North Carolina General Statute § 160A-274.

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5. **Buyer's Intended Use:** Buyer and Seller acknowledge that a primary consideration for this transaction is Buyer's commitment to use the Property for the public benefit. Buyer covenants and agrees that it intends to develop, construct, and operate a Child Facility-Based Crisis (FBC) center on the Property. Seller covenants and agrees that there is no known impediment to that use of the Property.
6. **Due Diligence / Inspection Period:** Buyer shall have a period of one hundred twenty (120) days from the full execution of the PSA (the "Effective Date") to conduct, at its sole cost and expense, a complete review and investigation of the Property (the "Due Diligence Period"). This investigation shall include, but not be limited to:
- Physical inspections (structural, roofing, HVAC, etc.)
 - Environmental assessments (Phase I, Phase II if necessary, at Buyer's sole discretion)
 - Review of title and survey
 - Zoning, land use, and permitting compliance
 - Feasibility for Buyer's intended use (as described in Section 5)

Seller agrees to provide Buyer and its agents reasonable access to the Property and to any relevant, non-privileged documents in Seller's possession (such as existing surveys, environmental reports, or title policies). The parties will cooperate in good faith to avoid non-disclosure based on relevancy or privilege, including a confidentiality agreement as appropriate.

The parties agree that the Due Diligence Period will be extended as needed for unforeseen reasons, e.g., to obtain a Phase II environmental assessment, to cure title defects, or to obtain proper zoning for Buyer's intended use.

If Buyer in its sole and absolute discretion, is not satisfied with the results of its investigation, Buyer may terminate this LOI and all further negotiations by providing written notice to Seller at any time prior to the expiration of the Due Diligence Period, whereupon neither party shall have any further obligation hereunder, beyond return of the aforementioned deposit.

7. **Purchase and Sale Agreement (PSA):** The parties shall endeavor to negotiate in good faith a definitive Purchase and Sale Agreement ("PSA") which shall incorporate the terms of this LOI and other customary provisions. The parties intend to have a mutually agreeable PSA fully executed within forty-five (45) days of the execution of this LOI.
8. **Contingencies:** Unless otherwise provided in a fully executed PSA, the obligation of Buyer to close on the purchase of the Property shall be subject to the following contingencies:

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- Buyer's satisfactory completion and approval of all due diligence investigations.
 - The negotiation and execution of a mutually acceptable PSA.
 - Buyer obtaining all necessary internal approvals, including but not limited to, approval from its Board of Directors.
 - Seller obtaining all necessary public approvals, including but not limited to, approval from the Gaston County Board of Commissioners.
 - Buyer's assumption of the existing Lease Agreement between Seller and Camp Sertoma of Gaston County, Inc. (Contract #2012-393), or Buyer's execution of a replacement lease agreement with Camp Sertoma on terms reasonably comparable and satisfactory to Seller.
 - The execution of a lease agreement between Buyer and the Gaston County Museum of Art and History, a nonprofit corporation, allowing for the Museum's current use of the Property to continue for a term of no less than seven (7) years, with said lease being subject to the reasonable approval of Seller.
- 9. Title and Survey:** At Closing, Seller shall convey good, marketable, and insurable title to the Property, free and clear of all liens and encumbrances except for "Permitted Exceptions" (to be defined in the PSA), by a Special Warranty Deed. Buyer may obtain an updated survey and title commitment at its own expense during the Due Diligence Period.
- 10. Closing:** The closing of this transaction ("Closing") shall occur within thirty (30) days after the expiration and satisfactory waiver of the Due Diligence Period, or at such other time as the parties may mutually agree in the PSA.
- 11. Non-Binding Nature:** This LOI is an expression of intent only and is not a binding contract. This LOI does not create any rights or obligations for either party, and no party shall have any liability to the other with respect to this LOI. All legal rights and obligations between the parties shall be established only by the execution of the definitive PSA.
- 12. Exclusivity:** In consideration of Buyer's good faith efforts and expenditure of resources to review the Property, Seller agrees that for a period of one hundred twenty (120) days from the execution of this LOI, Seller will not solicit, entertain, or enter into any discussions, negotiations, or agreements with any other party regarding the sale of the Property.
- 13. Expiration:** This proposal shall be open for acceptance until 5:00 PM (EST) on November 15, 2025. If not accepted by that time, this LOI shall be null and void.

SIGNATURE PAGE FOLLOWS

Confidential- N.C.G.S. § 132-1.2 and § 122C-126.1.

ACCEPTED AND AGREED:

BUYER: PARTNERS HEALTH MANAGEMENT

By: Elizabeth A. McCraw
Elizabeth A. McCraw (Nov 6, 2025 17:23:44 EST)
Elizabeth A. McCraw, CEO/Area Director

Date: 11/06/2025

SELLER: GASTON COUNTY

By: Matthew Rhoten
Matthew Rhoten (Nov 7, 2025 12:53:01 EST)
Matthew Rhoten, County Manager

Date: 11/07/2025









LOI - MARY ELLEN NELSON CENTER-Final

Final Audit Report

2025-11-07

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