

May 19, 2025

Drew Schaumber  
Schaumber Development  
PO Box 9160  
Greenville SC 29609

RE: 54 units – Multifamily  
The Palms at Oak Street Apartments  
Myrtle Beach, SC

Dear Drew:

We were pleased to receive a preliminary loan application on the above-referenced development. Based on the data submitted to us, this project meets our normal lending guidelines and criteria. This is assuming that the project will receive approximately \$14,173,583 in proceeds from federal low-income housing tax credits, \$3,450,000 in proceeds from state low-income housing tax credits, and an estimated \$540,000 in combined City of Myrtle Beach fee waivers / sub-debt.

Based on the projected development costs and proposed income and expenses, and subject to a satisfactory appraisal and other reasonable underwriting information, Centrant Community Capital would have a firm interest in providing a first lien, fee simple permanent mortgage loan to support the financing needs for this development, as follows:

Loan Term: Up to 18 years, with a 35 year amortization period.

Proposed Amount: \$1,835,000

Projected Interest Rate: 7.75%

Our current interest rate is 7.53%. The interest rate shall be set at time of board approval at 350bp over the Monthly Average, Ten Year Treasury Constant Maturity (subject to a rate floor) and fixed at that rate for an 18-year period.

Estimated Total Fees: \$37,700.00, comprised of the following:

- \$1,000 Application Fee
- 1% Commitment Fee (\$5,000 minimum)
- 1% Closing Fee (\$5,000 minimum)

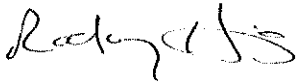
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**Prepayment Penalty:** A prepayment penalty equal to 5% of the outstanding principal balance will apply for the first 10 years, then 4% in year 11, 3% in year 12, 2% in year 13 and 1% in years 14 – 18.

**Reserves:** The Borrower will be required to establish operating and replacement reserve accounts, as outlined in the proposed development budget. These reserve accounts shall be maintained for the life of the loan. All reserve accounts may be held by the Borrower or an approved management company.

We look forward to working with you on this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Rocky Herring".

Rocky Herring  
EVP – Credit & Lending