



City of Myrtle Beach

SOUTH CAROLINA

May 19, 2025

Mr. Peter C. Schaumber, Jr.
HD The Palms, LLC
101 Kenwood Lane
Greenville, SC 29609

Re: Commitment Letter for HD The Palms, LLC

Dear Mr. Schaumber:

The City of Myrtle Beach is pleased to extend a commitment to provide \$169,000 to assist in the development of The Palms project in Myrtle Beach, South Carolina, subject only to the conditions below and the proper execution of all documents by both parties. This loan will support the development of Fifty-Four (54) affordable housing units targeting individuals earning [50%-60%] of Area Median Income (AMI).

The City of Myrtle Beach has identified and will provide funds up to \$169,000 secured by a second mortgage loan from our workforce housing fund. This second mortgage loan will (i) be payable monthly, (ii) bear interest at a fixed simple rate of 4.52%, and (iii) have a maturity date of 20 years based on a 30-year amortization schedule. The project is also subject to application, origination (3.0%) and closing costs/fees, and The City of Myrtle Beach reserves the right to require reporting and inspection requirements.

This pledge is conditioned upon standard underwriting and the property receiving an allocation of Low-Income Housing Tax Credits (LIHTC) administered through South Carolina State Housing Finance and Development Authority (SCSHFDA). If tax credits are awarded, the loan will need to be fully underwritten at that time to assure that the project still meets the requirements of The City of Myrtle Beach.

We look forward to the development of this project and support your application for funding to the South Carolina State Housing Finance and Development Authority.

If you have any questions, please feel free to contact me at (843) 918-1126.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian Tucker", is written over the word "Sincerely,".

Brian Tucker
Assistant City Manager