

PURCHASE AND SALE AGREEMENT
CHESTER TOWNHOUSES PHASE II

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made effective as of the 11th day of February, 2025 (the "Effective Date"), by and between New Chester Townhouses II of SC, LLC, a South Carolina limited liability company, its successors and assigns ("Buyer"), and New Chester Townhouses, Phase II, A Limited Partnership, a South Carolina limited partnership ("Seller").

STATEMENT OF PURPOSE

Seller is the owner of that certain real property located in Chester, Chester County, South Carolina, being more particularly described in Exhibit A attached hereto, and the improvements and fixtures thereon including a 52-unit apartment complex known as "Chester Townhouses Phase II," and the easements, rights of way, access rights, and appurtenances and hereditaments thereto (collectively referred to as the "Real Property"). In accordance with the terms and conditions herein set forth, Buyer desires to buy and Seller desires to sell the Real Property, together with all of the personal property, assets and business of Seller of every kind and description, tangible and intangible, located on or otherwise associated with the Real Property, including without limitation, cash accounts, prepaid expenses, the exclusive right to use the name "Chester Townhouses Phase II", all replacement, operating, tax, insurance and other reserves maintained by Seller and/or its lender(s), and all of Seller's goodwill (collectively, the "Personal Property") and all warranties and guarantees relating to the operation and use of the Real Property, or any part thereof (the "Warranties" and together with the Real Property and the Personal Property, collectively, the "Property").

NOW THEREFORE, in consideration of the premises and of the mutual covenants of the parties hereinafter expressed, it is hereby agreed as follows:

ARTICLE I - PURCHASE AND SALE

1.1 Agreement to Sell and Purchase. In accordance with and subject to the terms and conditions hereof, on the Closing Date (as defined in **Section 1.6** below), Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the Property. Buyer hereby further acknowledges that Agreement is amicable and voluntary in nature, without any threat of eminent domain (condemnation).

1.2 Purchase Price. The total purchase price (the "Purchase Price") for the Property shall be in the form of the assumption by Buyer of that certain existing USDA Section 515 mortgage encumbering the Property, estimated to be One Million Five Hundred Fifty Three Thousand Eight Hundred Twenty Two Dollars (\$1,553,822) as of the projected closing date of March 1, 2026 (the "Assumed Debt") plus cash in the amount of Four Hundred Sixty Eight Thousand Dollars (\$468,000), subject to the terms and conditions set forth in this Agreement. Subject to the amount of Assumed Debt due at Closing, the total Purchase Price shall be approximately \$2,021,822. The assumption of the Assumed Debt is subject to the approval of the applicable government agencies as set forth in Section 3.5(d) below.

1.3 Earnest Money Deposit.

(a) Deposit. Within five (5) business days after the Effective Date of this Agreement, Buyer shall deliver the sum of FIVE HUNDRED AND 00/100 DOLLARS (\$500.00) (the "Earnest Money Deposit") to the Title Company (as defined in **Section 1.7(a)(3)** below), by and through its agent, Coleman Talley LLP, as escrow agent ("Escrow Agent"), to be held as earnest money hereunder. The Earnest Money shall be in the form of a check or wire transfer to Escrow Agent of goods (in the case of the check) and immediately available funds. If Buyer fails to timely deposit any portion of the Earnest Money within the time periods required, Seller may terminate this Agreement by written notice to Buyer, in which event the parties hereto shall have no further

rights or obligations hereunder, except for rights and obligations which, by their terms, survive the termination hereof.

(b) Disposition of Earnest Money Deposit.

(1) In the event that this Agreement is terminated by Buyer on or before the Due Diligence Contingency Date (as defined in **Section 3.1** below), then the Earnest Money Deposit shall be immediately refunded and returned to Buyer, and the parties shall have no further rights, duties, or obligations hereunder, excepting obligations which, by their nature or terms, survive the termination of this Agreement.

(2) In the event that this Agreement is terminated by Buyer on or before the Financing Contingency Date (as defined in **Section 3.4(a)** below), then the Earnest Money Deposit shall be immediately refunded and returned to Buyer, and the parties shall have no further rights, duties, or obligations hereunder, excepting obligations which, by their nature or terms, survive the termination of this Agreement.

(3) If the sale of the Property is closed pursuant to this Agreement, then the Earnest Money Deposit shall be applied as a credit to the Purchase Price at the time of the Closing.

(4) In the event that this Agreement is terminated pursuant to this Agreement due to the failure of a closing condition (as set forth in **Section 3.5** below) which is not the result of a breach or default of Buyer or Seller, then the Earnest Money Deposit shall be immediately refunded and returned to Buyer, and thence the parties shall have no further rights, duties or obligations hereunder, excepting obligations which, by their nature or terms, survive the termination of this Agreement.

(5) If the sale of the Property is not closed pursuant to this Agreement due to a default hereunder by Seller or failure of performance hereunder by Seller, then Buyer shall give Seller written notice specifying Seller's default or failure of performance, and Seller shall have ten (10) business days to cure the default or failure of performance. In the event that Seller fails to cure Seller's default or failure of performance within the ten (10) day period, then the Earnest Money Deposit shall be immediately refunded and returned to Buyer, and, in addition, Buyer may enforce and exercise its rights and remedies available at law or in equity, including without limitation an action for specific performance of this Agreement.

(6) If the sale of the Property is not closed pursuant to this Agreement due to a default hereunder by Buyer or failure of performance by Buyer, then Seller shall give Buyer written notice specifying Buyer's default or failure of performance, and Buyer shall have ten (10) business days to cure the default or failure of performance. In the event that Buyer fails to cure Buyer's default or failure of performance within the ten (10) day period, then the Earnest Money Deposit shall be immediately forfeited by Buyer, and retained by Seller as and for liquidated damages, and as Seller's sole and exclusive remedy; and thence the parties shall have no further rights, duties or obligations hereunder, excepting obligations which, by their nature or terms, survive the termination of this Agreement.

1.4 Closing Costs. At Closing, Seller shall pay the cost of preparation of the Deed (as defined in **Section 1.7(a)(1)** below), the State of South Carolina transfer tax, any instruments which may be required to clear the title of any prior liens, including the associated recording and filing fees, any counsel fees for counsel employed or retained by Seller and any other fees and costs customarily borne by sellers as "closing costs" in South Carolina. Buyer shall pay for the title examination, the Title Policy (as defined in **Section 3.1(b)** below), the Survey (as defined in **Section 3.1(c)** below), the Appraisal (as defined in **Section 3.1(d)** below), recording and filing fees regarding the Deed, any counsel fees Buyer incurs in the transaction, any other due diligence of the Property requested by Buyer, all costs and expenses incurred by Buyer in connection with obtaining financing for the Property, and any other fees and costs customarily borne by purchasers as "closing costs" in South Carolina.

1.5 Possession at Closing; Assignment to Buyer.

(a) Seller shall transfer exclusive possession of the Property, in substantially the same or better condition as on the Effective Date, reasonable wear and tear excepted, to Buyer on the Closing Date, subject to the Permitted Leases. The “Permitted Leases” are: (a) the current residential leases of the apartment units of the Property (including month-to-month leases); (2) renewals of said current residential leases of the apartment units of the Property entered into by Seller during Seller’s normal course of operation of the Property; and (3) new residential leases of the apartment units of the Property entered into by Seller during Seller’s normal course of operation of the Property.

(b) The following items shall not be prorated but shall be transferred, assigned and delivered to Buyer as of the date of Closing: (1) any prepaid expenses, costs, deposits, fees, premiums or similar charges for Maintenance Contracts (as defined in **Section 3.1(a)(2)** below) or licenses that are assigned to Buyer at Closing pursuant to **Section 1.7(a)(5)** below; (2) all tenant security, utility and other service deposits; (3) all rents and other sums either prepaid or paid in arrears; (4) any ad valorem taxes for the year of Closing assessable against the Property; and (5) all pending and confirmed assessments in favor of any governmental unit having jurisdiction thereof. Seller shall assign to Buyer all of its rights to take legal action against tenants to collect delinquent rent and other charges including termination of leases and/or eviction or other removal of a delinquent tenant as so permitted by federal, state or local jurisdiction, or other regulatory bodies. All charges for water, gas, electric, and other service outstanding and any other trade payables or accruals as of the date of Closing shall be assumed and paid by Buyer from and after the Closing Date.

1.6 Closing Date. Upon and subject to all of the terms and conditions contained in this Agreement, the closing of the transactions contemplated hereby (the “Closing”) shall occur at noon at the office of the Escrow Agent on or before the later of: (i) March 1, 2026 or (ii) such other date as Buyer and Seller may mutually agree to in writing (the “Closing Date”).

1.7 Documents Delivered on the Closing Date.

(a) On the Closing Date, Seller shall execute and deliver to Buyer the following:

(1) Limited Warranty Deed in recordable form (the “Deed”), transferring and conveying to Buyer good, insurable and marketable fee simple title to the Real Property, free and clear of all liens and encumbrances, subject only to the following (the “Permitted Encumbrances”): (A) all easements, restrictions, reservations, conditions and rights of way, if any, now of record (subject to any cure required pursuant to **Section 3.1(c)** below); (B) all matters that would be disclosed by a survey and physical inspection of the Property; (C) the Permitted Leases; (D) the Assumed Debt; and (E) real estate taxes for the year of the Closing Date and thereafter. The legal description of the Real Property shall be based upon the Survey made in accordance with **Section 3.1(c)** below, provided that such legal description is approved by Seller, which approval shall not be unreasonably withheld.

(2) FIRPTA Affidavit.

(3) Such affidavits or other evidence of title from Seller or other third parties as may reasonably be required by Old Republic National Title Insurance Company (the “Title Company”) or in forms customarily used by the Title Company in order to issue the Title Policy (as defined in **Section 3.1(b)** below).

(4) A Bill of Sale and Assignment and Assumption Agreement (the “Bill of Sale and Assignment and Assumption Agreement”) transferring and assigning to Buyer:

(i) all of the Permitted Leases, and originals or copies of the Permitted Leases in force on the Closing Date, together with all current tenant files, security and other deposits, escrows and/or prepaid rents.

(ii) all of the Maintenance Contracts for the Property that Buyer has elected to assume, in its sole discretion, and originals or copies of the Maintenance Contracts in force on the Closing Date,

together with all current maintenance files. Buyer shall notify Seller of all Maintenance Contracts it elects to assume within fifteen (15) days after the Due Diligence Contingency Date. In the event that Buyer does not deliver such notice to Seller, Buyer shall have been deemed to have elected to assume all of the Maintenance Contracts.

(iii) all fixtures, Personal Property and Warranties used in the operation of the Property by Seller to be conveyed free from all liens and encumbrances;

(iv) an assignment of all replacement, operating deficit, taxes, insurance, and other reserves held by Seller.

(5) Form Tenant Notice (to be provided by Buyer) from Buyer and Seller to the tenants of the Property, notifying the tenants of the sale and conveyance of the Property to Buyer ("Tenant Notice"). Such Tenant Notice shall be completed by Buyer and Seller for each Tenant and delivered by Buyer to each Tenant on or after the Closing Date.

(6) A completed Seller's Certificate, in the form attached hereto as Exhibit B (the "Seller's Certificate").

(b) On the Closing Date, Buyer shall execute, where applicable, and deliver to Seller the following:

(1) The Purchase Price;

(2) Bill of Sale and Assignment and Assumption Agreement;

(3) Form Tenant Notice; and

(4) Any and all documents required to evidence the assumption of the Assumed Debt.

(c) On or before the Closing Date, each of the parties shall execute, provide and deliver to the other party and to the Title Company: (1) such indicia of authority and related customary documents and instruments as may be required by the Title Company or as may be reasonable requested by the other party; and (2) such other documents and instruments as are necessary to consummate the transactions contemplated by this Agreement.

ARTICLE II - REPRESENTATIONS AND WARRANTIES

2.1 Seller's Warranties and Representations. Seller makes the following representations and warranties, each of which are true and correct on the Effective Date and shall be true and correct on the Closing Date:

(a) Authority; Enforceability. Seller has full power, partnership consent and authority to execute, deliver, and carry out Seller's obligations under this Agreement and all documents executed herewith without the consent of any other person, entity, agency, or authority; the execution, delivery, and performance of this Agreement and the transactions contemplated herein shall not breach the provisions of any agreement binding upon Seller or any governmental order to which Seller is a party or which binds the Property; and the person signing this Agreement has full power and authority to bind Seller and to execute and perform this Agreement. Seller has received the consent of its limited partners to the transactions contemplated herein. This Agreement is a binding obligation of Seller, enforceable against Seller in accordance with its terms. To the best of Seller's knowledge, Seller is not currently in default with respect to any agreement to which it is a party or any order of a court or governmental instrumentality. Notwithstanding the foregoing, the Buyer and Seller hereby acknowledge that the approval of the United States of America, acting through the United States Department of Agriculture ("USDA"), will be required before Buyer and Seller can consummate the transaction contemplated

by this Agreement. Buyer agrees to request and obtain such approval from USDA at its sole cost and expense, and Seller agrees to cooperate with Buyer as reasonably necessary to obtain such approval.

(b) No Other Interests In Property. To the best of Seller's knowledge and after due inquiry, other than those tenants currently occupying the Property (the names and addresses of whom will be provided by the managing agent in connection with Seller's obligations to deliver rent rolls and Permitted Leases pursuant to **Sections 1.7(a)(4) and 3.1(a)(2)**), there are no existing agreements regarding the Property, nor are there any persons in possession or occupancy of the Property or any part thereof other than the aforementioned nor are there any persons who have possessor rights in respect to the Property or any part thereof except for the aforementioned and Seller. No part of the Property is subject to a right of first refusal, option or other right granted to other persons or parties, whether oral or written. To the best of Seller's knowledge and after due inquiry, there are no service, maintenance, leasing or any other agreements affecting the Property other than the Maintenance Contracts delivered to Buyer pursuant to **Section 3.1(a)(2)** below.

(c) Condemnation. Seller has received no notice that the Property may be subject to any condemnation or eminent domain proceeding or any other taking with respect to the Property or any portion thereof. Seller agrees that it will give Buyer prompt written notice of any actual or written threat of a taking or condemnation of all or any portion of the Property, and any actual or written threat of action by any governmental or quasi-governmental agency or authority relating to the use, condition or environmental quality of the Property and any notice of any fire, damage or destruction of all or any part of the Property.

(d) Title; Liens. Seller is and shall as of the Closing Date owns marketable fee simple title to the Property, subject only to the Permitted Encumbrances and, as of the Effective Date only, such other deeds of trust and other financing documents now of record which shall be discharged and/or satisfied on or before the Closing Date.

(e) Litigation. There is no litigation, action, proceeding, or investigation pending, nor to the best of Seller's knowledge threatened in writing, in, before or by any court or any governmental body or agency in any manner affecting the Property.

(f) Authorizations. Except as otherwise set forth herein, Seller is aware of no required authorization by or registration with any governmental or quasi-governmental entity for Seller to enter into this Agreement and consummate the Closing.

(g) Unwritten or Unrecorded Agreements. There are no unwritten or unrecorded leases, easements, licenses, or agreements of any kind or nature which grant any rights whatsoever to any individual(s) or entity(ies) with respect to the Property.

(h) Loans. Seller represents and warrants that the existing loans, if any, on the Property are current in all respects and that no default exists under the loan documents (which shall include all documents executed by the Seller in connection with such loans), and that such loans shall remain current, and the Seller shall comply with all aspects, conditions and requirements of said loan documents at all times that this Agreement is in force including the Closing, until satisfied by Seller or assumed by Buyer pursuant to the terms hereof.

(i) Termination of Contracts. At Closing, Seller shall terminate all contracts affecting the Property except the Permitted Leases, any Maintenance Contracts and interest credit, rental assistance and other agreements relating to the Assumed Debt that Buyer has elected to assume. Notwithstanding the foregoing, Seller shall not be required to terminate any contracts that are not terminable by their terms and shall not be required to incur any costs or pay any fees related to such terminations.

(j) Insurance. Seller shall keep the Property continuously insured in amounts and with companies and on terms and conditions that are customary for buildings of the nature and size of the Property but, in no event, less than the amount for which the Property is presently insured.

(k) OFAC. To the Seller's best knowledge, Seller is in compliance with the requirements of Executive Order No. 133224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Executive Order"). Without limiting the foregoing, to the best knowledge of Seller, Seller is not:

(a) listed on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") pursuant to the Executive Order and/or on any other list of terrorists or terrorist organizations maintained by OFAC pursuant to any requirement of law or Executive Order of the President of the United States in respect of terrorism or terrorist activities (such lists are collectively referred to as the "Lists"); or

(b) a person or entity that is owned or controlled by, or acts for or on behalf of, any person or entity on the Lists or who has been determined by the United States Secretary of State, in consultation with the United States Secretary of the Treasury and the United States Attorney General, to have committed or to pose a significant threat of committing acts of terrorism or otherwise to assist, sponsor or support acts of terrorism.

2.2 Buyer's Warranties and Representations. Buyer makes the following representations and warranties, each of which are true and correct on the Effective Date and shall be true and correct on the Closing Date:

(a) Authority; Enforceability. Buyer has full power, limited partnership consent and authority to execute, deliver, and carry out Buyer's obligations under this Agreement and all documents executed herewith without the consent of any other person, entity, agency, or authority; the execution, delivery, and performance of this Agreement and the transactions contemplated herein shall not breach the provisions of any agreement binding upon Buyer or any governmental order to which Buyer is a party; and the person signing this Agreement has full power and authority to bind Buyer and to execute and perform this Agreement. This Agreement is a binding obligation of Buyer, enforceable against Buyer in accordance with its terms. To the best of Buyer's knowledge, Buyer is not currently in default with respect to any agreement to which it is a party or any order of a court or governmental instrumentality.

(b) Litigation. There is no litigation, action, proceeding, or investigation pending, nor to the best of Buyer's knowledge threatened, in, before or by any court or any governmental body or agency in any manner which would affect Buyer's ability to perform under this Agreement.

(c) Authorizations. Except as otherwise set forth herein, Buyer is aware of no required authorization by or registration with any governmental or quasi-governmental entity for Buyer to enter into this Agreement and consummate the Closing.

(d) OFAC. To the Buyer's best knowledge, Buyer is in compliance with the requirements of the Executive Order. Without limiting the foregoing, to the best knowledge of Buyer, Buyer is not:

(a) listed on the Lists; or

(b) a person or entity that is owned or controlled by, or acts for or on behalf of, any person or entity on the Lists or who has been determined by the United States Secretary of State, in consultation with the United States Secretary of the Treasury and the United States Attorney General, to have committed or to pose a significant threat of committing acts of terrorism or otherwise to assist, sponsor or support acts of terrorism.

ARTICLE III - CONDITIONS TO CLOSING

3.1 Due Diligence Contingencies. The obligation of Buyer to consummate the transactions provided for in this Agreement shall be subject to the satisfaction of Buyer (in its sole discretion) or waiver by Buyer of each of the following conditions (the “Due Diligence Contingencies”) on or before June 1, 2025 (the “Due Diligence Contingency Date”):

(a) Buyer and its representatives shall have the right to conduct an investigation of the Property, at Buyer’s sole expense and after reasonable notice, and to access the Property to perform such tests, studies, inspections, and analyses, including without limitation, engineering and environmental studies and structural, mechanical, electrical, roof and ADA compliance inspections, as it deems necessary or desirable in connection with determining the feasibility of acquiring the Property. In connection with this examination of the Property, Seller shall deliver to Buyer true, correct, and complete copies of such documents, books and records reasonably related to the Property in the possession of the Seller or Seller’s representatives and requested by the Buyer, including without limitation the following:

(1) All engineering, architectural and geotechnical information, studies, plans, specifications, blueprints, surveys (boundary or physical), topographic maps and information, environmental assessment reports, soil reports and building inspection reports for the Property, including a listing of the unit mix by unit type and square footage.

(2) A complete rent roll and tenant roster of all leases and occupancy agreements of the Property including a list of all tenants, rentals, security deposits and rental terms, together with true and correct copies of such lease documentation.

(3) A complete listing of all maintenance and service contracts and agreements (the “Maintenance Contracts”) for the Property, together with true and correct copies of the Maintenance Contracts.

(4) Copies of existing insurance policies covering the Property, as well as documentation detailing the history of any property or liability insurance claims made in connection with the Property in the last five (5) years.

(5) A copy of the most recent owner’s title insurance policy for the Property in Seller’s possession or readily available to Seller; together with copies of title exception documents in Seller’s possession or readily available to Seller; together with a copy of the most recent survey of the Property in Seller’s possession or readily available to Seller, showing boundaries, easements, and location of all permanent.

(6) A listing and inventory of the Personal Property and Warranties owned by Seller and used in connection with the use and operation of the Property.

(7) Copy of all licenses, permits and approvals, and evidence of compliance with applicable laws, ordinances, and zoning requirements, with respect to the Property in Seller’s possession or readily available to Seller, together with copies of any notice or request from any insurance company or Board of Fire Underwriters (or organization exercising functions similar thereto) or mortgagee requesting or recommending the performance of any work or alterations to the Property.

(8) Copies of all loan documents relating to or evidencing any financing on the Property and/or any other indebtedness to which the Property is subject, including, without limitation, the Assumed Debt.

(9) Copies of all financial statements and tax bills, including any information within Seller's possession or under its control relating to any pending, or contemplated appeals relating to the Property, for the last three (3) years, including the current year.

(b) Buyer shall have obtained, at its sole cost and expense, a commitment (the "Title Commitment") in favor of Buyer for an ALTA owner's policy of title insurance from the Title Company with respect to the Real Property (the "Title Policy"), which Title Commitment shall be in the amount of the Purchase Price and shall show Seller as the owner of marketable fee simple title to the Real Property, with exception only for: (1) the standard preprinted exceptions; (2) the Permitted Encumbrances; (3) mortgages, deeds of trust and other financing instruments of record (to be paid, discharged and released by Seller on or before the Closing Date); and (4) such additional exceptions as shall be acceptable to Buyer, in its sole discretion, and Buyer shall have reviewed and approved (as satisfactory to Buyer, in its sole discretion) in writing the terms of the Title Commitment, and such exceptions as may be disclosed thereon. Buyer may require that such Title Commitment contain an endorsement expressly ensuring the compliance with all applicable zoning and use laws, and expressly containing any other affirmative endorsements Buyer may require.

(c) Buyer shall have obtained, at its sole cost and expense, reviewed and approved a complete, updated ALTA survey of the Real Property (the "Survey"), dated on or after the date hereof, and shall have conducted a title examination with regard to the Property and notified Seller of any objections thereto prior to the Due Diligence Contingency Date. If Buyer's title examination or Survey reveals a title defect of a character that can be reasonably satisfied, remedied, or cured by legal action or otherwise within a reasonable time, upon written request by Buyer delivered to Seller on or before the Due Diligence Contingency Date, Seller may, at its expense and sole option, promptly take such action as is necessary to eliminate such defect. If such defect is not cured by Seller or Seller elects not to cure such defect by the Closing Date, then Buyer may, at its sole discretion, (1) extend the date of Closing for such period as is reasonably necessary to remedy such defect, (2) cure such defect and deduct any amount expended, plus reasonable attorney's fees, not to exceed \$10,000 from the Purchase Price, (3) terminate this Agreement in which event Buyer shall receive a full refund of the Earnest Money Deposit; or (4) proceed to Closing and accept such title as Seller may convey. Notwithstanding any other provision hereof, Seller covenants and agrees that all liens and exceptions to Seller's title to the Property which secure the payment of a sum certain, including, without limitation, judgment liens, mechanics liens and delinquent taxes or taxes which are otherwise due and payable on or before the Closing, to the extent that such cost in the aggregate do not to exceed \$10,000, shall be removed by Seller at the Closing, whether or not Buyer has designated such as an unacceptable exception or a defect, except for the Assumed Debt.

(d) Prior to the Due Diligence Contingency Date, Buyer shall, at its sole expense, retain an independent, third-party appraiser reasonably acceptable to Seller to determine the appraised fair market value of the Property (the "Appraisal"), such Appraisal to be delivered to Buyer and Seller in writing (the "Appraised Value").

3.2 Failure of Satisfaction of Due Diligence Contingencies. In the event Buyer is unsatisfied with its Due Diligence investigations, it may deliver a notice to Seller terminating this Agreement on or before the Due Diligence Contingency Date, upon which the Earnest Money Deposit shall be refunded to Buyer and the parties shall thereafter have no further rights, duties, or obligations hereunder, excepting obligations which expressly survive the termination of this Agreement.

3.3 Satisfaction of Due Diligence Contingencies. At any time on or before the Due Diligence Contingency Date, Buyer may give Seller written notice of the satisfaction, waiver, or removal of the Due Diligence Contingencies, in which event the Due Diligence Contingencies shall be deemed satisfied, waived, and removed as of the Due Diligence Contingency Date. In the event the Buyer has not delivered a termination notice to Seller pursuant to Section 3.2 above, all Due Diligence Contingencies shall be deemed waived by Buyer.

3.4 Financing Contingency.

(a) The obligation of Buyer to consummate the transactions provided for in this Agreement shall be subject to (i) USDA consent to the assumption of the Assumed Debt by Buyer; (ii) USDA and Buyer entering into an Interest Credit Agreement with respect to the Assumed Debt having such terms satisfactory to Buyer; (iii) USDA and Buyer entering into a Rental Assistance Agreement continuing the tenant rental assistance currently be provided to the tenants of Seller; and, (iv) the issuance of a Low Income Housing Tax Credit Reservation Certificate by the South Carolina State Housing Finance and Development Authority in the favor of Buyer in such form acceptable to Buyer (the “Financing Contingency”).

(b) In the event there is a failure of the Financing Contingency, then on or before the Closing Date Buyer may deliver a notice to Seller terminating this Agreement, the Earnest Money Deposit shall be refunded to Buyer and the parties shall thereafter have no further rights, duties, or obligations hereunder, excepting obligations which, expressly survive the termination of this Agreement.

(c) At any time on or before the Closing Date, Buyer may give Seller written notice of the satisfaction, waiver, or removal of the Financing Contingency, in which event the Financing Contingency shall be deemed satisfied, waived, and removed as of such date.

(d) Notwithstanding any provision of this Agreement, if U.S. Department of Housing and Urban Development (HUD) funds are used, including, but not limited to HOME funds, the parties agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of an environmental review and receipt of a release of funds notice from the U.S. Dept of HUD under 24 CFR Part 58. The parties further agree that the provision of any federal funds to the project is conditioned on the determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review. If no HUD funds are utilized in regard to this property, the provision shall be considered null and void.

3.5 Closing Conditions. The obligation of Buyer to consummate the transactions provided for in this Agreement shall be subject to the satisfaction of each of the following conditions as of the Closing Date (the “Buyer’s Closing Conditions”):

(a) Buyer shall have obtained a title commitment in an amount equal to or greater than the Purchase Price with exception only for the Permitted Encumbrances.

(b) Buyer shall have received from Seller on or prior to the Closing Date the documents, certificates and papers specified in **Section 1.7(a)**, duly executed by Seller or other appropriate parties.

(c) The representations and warranties made by Seller shall be true and correct in all material respects.

(d) The Financing Contingency shall have been satisfied or waived by Buyer.

(e) Buyer shall have obtained all necessary approvals from governmental agencies to purchase and own the Property.

The obligation of Seller to consummate the transactions provided for in this Agreement shall be subject to the satisfaction of each of the following conditions as of the Closing Date (the “Seller’s Closing Conditions”):

(f) Seller shall have received from Buyer on or prior to the Closing Date the documents, certificates and papers specified in **Section 1.7(b)**, duly executed by Seller or other appropriate parties, where applicable.

(g) The representations and warranties made by Buyer shall be true and correct in all material respects.

3.6 Failure of Satisfaction of Closing Conditions. In the event that any one or more of the Buyer's Closing Conditions has not been satisfied as of the Closing Date, then Buyer, at its option, may declare this Agreement terminated, whereupon the Earnest Money Deposit shall be returned to Buyer, and thence the parties shall have no further rights, duties or obligations hereunder, excepting obligations which, by their nature or terms, survive the termination of this Agreement. In the event that any one or more of the Seller's Closing Conditions has not been satisfied as of the Closing Date for any reason other than a Seller default, then Seller, at its option, may declare this Agreement terminated, whereupon the Earnest Money Deposit shall be returned to Buyer, and thence the parties shall have no further rights, duties or obligations hereunder, excepting obligations which, by their nature or terms, survive the termination of this Agreement. However, if the failure of any such Closing Condition also constitutes a default under or breach of the terms of this Agreement on the part of either party, then the non-defaulting party may, at its option, pursue its rights and remedies provided hereunder in the event of a default.

ARTICLE IV - COVENANTS OF SELLER

Seller covenants and agrees that from and after the Effective Date of this Agreement and until the Closing Date:

4.1 Compliance with Laws. Seller shall comply with all ordinances and laws pertaining to the Property.

4.2 Access to Property. Seller will allow Buyer and its agents from and after the date of this Agreement continuing access at reasonable times to the Property, for the purpose of conducting inspections or satisfying Due Diligence Contingencies; provided that: (a) all entry and access by Buyer shall be during regular business hours; (b) Buyer shall provide Seller with reasonable advance prior notice of any desired entry or access; (c) Seller shall have the right to require that a representative of Seller accompany Buyer during any entry into any tenant apartments; (d) Buyer shall cause no substantial or material damage to the Property; and (e) Buyer shall not interfere with any tenant's use and enjoyment of the Property. Buyer shall indemnify and hold Seller harmless from all liability, loss, damage, cost, and expense, including reasonable attorney's fees and court costs, which Seller may suffer or incur as a result of any substantial or material damage to the Property or personal injury caused by Buyer or its representatives during such any such investigation or inspection. Following any such investigations or inspections contemplated by this Agreement, Buyer shall, at Buyer's expense, promptly restore the Property to substantially the same condition as existed prior to such inspection or investigation.

4.3 Title Covenants. At all times until the Closing Date, Seller shall maintain the legal title to the Property free and clear of any and all defects, liens, and encumbrances of every kind and nature other than the Permitted Encumbrances and other financing liens that will be satisfied by Seller by the payment of money on or before the Closing Date. Between the Effective Date of the Agreement and the termination of the Agreement or the Closing Date, Seller shall not enter into any contracts or "back-up" contracts with respect to the sale of the Property.

4.4 Continued Operations. At all times prior to Closing, Seller agrees to continue to conduct, maintain and operate the apartment complex located on the Property in a manner consistent with Seller's operation of said apartment business as of the date hereof. Without limiting the generality of the foregoing, Seller covenants and agrees to continue prudent credit underwriting practices, to comply with all laws and ordinances affecting the leasing of the apartment units, to maintain mechanical equipment, structures and utilities in their present condition until the Closing date, with 100% of the units in a "rent ready" state, normal wear and tear excepted, and to maintain casualty insurance covering the Property in an amount equal to the replacement value of the Property. In addition, at all times prior to Closing, Seller agrees to make those reasonable repairs and replacements necessary, which can be made for less than One Thousand Dollars (\$1,000.00), to satisfy any and all reasonable and bona fide tenant complaints affecting the Property. Seller further agrees to notify Buyer of any tenant complaint that Seller, or its agent, deems unreasonable, not bona fide, or involving expenses over One Thousand Dollars (\$1,000.00).

ARTICLE V – CASUALTY AND CONDEMNATION

5.1 Risk of Loss; Casualty. Risk of loss by fire or other casualty is assumed by Seller until the Closing Date. In the event of loss or damage to the Property between the date of this Agreement and the Closing Date, by fire or other casualty, Seller shall immediately give Buyer notice of such occurrence. In such an event, Buyer may, within fifteen (15) days after receipt of such casualty notice, elect to (a) terminate this Agreement, in which event the Earnest Money Deposit shall be returned forthwith to Buyer, all obligations of the parties hereunder shall cease and this Agreement shall have no further force and effect, or (b) close the transactions contemplated hereby as scheduled (except that if the Closing Date is less than fifteen (15) days following Buyer's receipt of such casualty notice, the Closing Date shall be delayed until Buyer makes such election). In the event that the transactions contemplated hereby close notwithstanding such destruction or damage, Buyer shall have the right to participate in the adjustment and settlement of any insurance claim relating to said damage, and Seller shall assign and/or pay to Buyer on the Closing Date all insurance proceeds (and other related chooses in action, if any) collected or claimed by either Seller with respect to said loss or damage plus any deductible or self-insured amount.

5.2 Condemnation. If, during the term of this Agreement, any portion of the Property shall be taken by eminent domain or is the subject of eminent domain proceedings threatened or commenced, Seller shall promptly notify Buyer thereof, and immediately provide Buyer with copies of any written communication from any condemning authority. If any of said events occur then, in that event, Buyer shall have the right to rescind the Agreement, in which event, this Agreement shall become null and void, and the Earnest Money Deposit shall be immediately returned to Buyer. If any of said events occur and Buyer still desires to close, (a) if the transfer to the condemning authority takes place prior to the Closing Date, the remainder of the Property shall be conveyed to Buyer on the Closing Date; (b) if the transfer to the condemning authority has not taken place prior to the Closing Date, the entire Property shall be conveyed to Buyer on the Closing Date; (c) if Seller has received payment for such condemnation or taking prior to the Closing Date, the amount of such payment shall be a credit against the Purchase Price; and (d) if Seller has not received such payment prior to the Closing Date, Seller shall assign to Buyer all claims and rights on account of or arising out of such taking, including the right to conduct any litigation in respect of such condemnation.

ARTICLE VI- DEFAULT; REMEDIES

6.1 Right to Notice and Cure. Neither party shall be in material default hereunder unless such party (i) has first received a notice from the party claiming the material default specifying it in reasonable detail and (ii) if such material default exists, has not cured the material default within ten (10) days from its receipt of the said notice. If the Closing Date is set to occur within the foregoing cure period, then the Closing Date shall automatically be extended to the first to occur of the next business day following (a) notice that the cure has been affected or (b) the expiration of the ten (10) day cure period. If no cure has been affected within the said ten (10) day cure period, then the non-defaulting party may waive the default in writing and proceed to the Closing of the transaction or exercise the remedies applicable to it in this Agreement.

6.2 Buyer's Default, Seller's Remedies. IF BUYER FAILS TO PURCHASE THE PROPERTY IN VIOLATION OF THIS AGREEMENT OR IS IN DEFAULT OF ITS MATERIAL OBLIGATIONS UNDER THIS AGREEMENT (AND PROVIDED SELLER IS NOT IN MATERIAL DEFAULT UNDER THIS AGREEMENT), THE PARTIES HAVE DETERMINED AND AGREED THAT THE ACTUAL AMOUNT OF DAMAGES THAT WOULD BE SUSTAINED BY SELLER AS A RESULT OF SUCH BUYER'S DEFAULT UNDER THIS AGREEMENT IS DIFFICULT OR IMPOSSIBLE TO ASCERTAIN AND THAT IN SUCH EVENT SELLER, AS ITS SOLE AND EXCLUSIVE REMEDY, MAY TERMINATE ITS OBLIGATION TO COMPLETE THE TRANSACTION AND, UPON SO DOING, WILL BE ENTITLED TO RECEIVE THE EARNEST MONEY DEPOSIT AS LIQUIDATED DAMAGES. BY PLACING THEIR INITIALS BELOW, BUYER AND SELLER ACKNOWLEDGE THEIR AGREEMENT TO THIS LIQUIDATED DAMAGES PROVISION. IT IS AGREED THAT SELLER SHALL NOT HAVE ANY

CAUSE OF ACTION OR CLAIM WHATSOEVER AGAINST BUYER BECAUSE OF A DEFAULT OF THIS AGREEMENT BY BUYER, AND SELLER'S SOLE AND EXCLUSIVE REMEDY SHALL BE THE RECEIPT OF THE ABOVE REFERENCED SUM AS LIQUIDATED DAMAGES. PAYMENT TO SELLER OF THE ABOVE REFERENCED SUM IS NOT INTENDED AS A FORFEITURE OR PENALTY, BUT INSTEAD, IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER.

BUYER'S INITIALS: CTB

SELLER'S INITIALS: CTB

6.3 Seller's Default, Buyer's Remedies. If Seller fails to perform any of its material obligations under this Agreement, then Buyer (provided that Buyer is not then in a material default under this Agreement), as its sole and exclusive remedy, may either (a) terminate its obligation to complete the transaction, in which case Buyer may recover the Earnest Money Deposit, or (b) enforce specific performance of Seller's obligation to sell the Property pursuant to this Agreement. Buyer hereby expressly waives all remedies for Seller's failure in performance (including any right to obtain any damages from Seller), except for specific performance as provided herein. Notwithstanding the foregoing, in the event Buyer (i) elects to enforce specific performance of Seller's obligations hereunder as set forth in Section 6.3(b) above, (ii) brings such suit for specific performance within sixty (60) days after the Closing Date fails to occur in accordance with the terms hereof and (iii) is successful in such suit for specific performance, then Seller shall indemnify and hold Buyer and Buyer's officers, agents, contractors, employees, representatives, attorneys, successors and assigns harmless against any and all costs, expenses and charges incurred in connection with enforcing Buyer's right to specific performance hereunder (including without limitation, court filing fees, court costs, arbitration fees or costs, reasonable witness fees, and reasonable fees and disbursements of legal counsel, expert witnesses and other professionals).

6.4 Cumulative Remedies. Except as otherwise specifically provided in this Agreement, all remedies provided for in this Agreement or available as a matter of law (whether at law, in equity, by statute or otherwise) are cumulative and may be exercised concurrently or consecutively, in such order as a party may elect. Limitations on remedies apply only to the obligations specifically referenced to be limited.

6.5 Limited Liability. No limited partner or general partner of the limited partnership comprising Seller, nor an officer, director or shareholder of any partner comprising, nor any employee or agent of, Seller or of Seller's partners, shall have any personal liability directly or indirectly, under or in connection with this Agreement or any agreement made or entered into under or in connection with this Agreement, and Buyer and Buyer's successors and assigns shall look solely to Seller's interest in the Property or Seller's interest in the net sales proceeds from the sale of the Property following a transfer thereof, for the payment of any claim or for any performance hereunder, and Buyer hereby waives any and all claims for personal liability against any limited partner, managing member or member, or general partner of Seller, and any officer, director or shareholder of any partner comprising Seller, and any employee or agent of Seller or of any of Seller's partners.

ARTICLE VII - MISCELLANEOUS PROVISIONS

7.1 Assignment of Agreement. Seller acknowledges and agrees that Buyer may assign this Agreement, without requiring Seller's approval, to a related or affiliated entity upon certifying to Seller no later than five (5) days following the expiration of the Due Diligence Contingency Date: (i) that the assignee is controlled by CAHEC Properties Corporation, a North Carolina nonprofit corporation; and (ii) that such assignment is for no monetary consideration; provided, however that if Buyer makes such a permitted assignment, Buyer shall, notwithstanding the assignment, remain fully obligated under this Agreement.

7.2 Binding Agreement. This Agreement shall be binding on and shall inure to the benefit of the parties named herein and to their respective personal representatives, successors and permitted assigns.

7.3 Brokers and Commissions. Buyer and Seller represent and warrant to each other that neither has dealt with a broker, agent, or other person in connection with this transaction. Seller and Buyer shall each indemnify the other against, and shall hold each other harmless from, any and all suits, claims, demands, judgments, damages, costs or expenses of or for any fees or commissions which are the responsibility of the indemnifying party or resulting from a breach of such parties' representations, and shall pay all costs of defending any action or lawsuit brought to recover any fees or commissions incurred by the other, including reasonable attorneys' fees and court costs. This provision shall survive the Closing.

7.4 Notices. All notices and requests permitted or required to be given hereunder shall be in writing, and all such notices may be given: (a) by personal delivery, (b) by nationally recognized overnight delivery service, or (c) by United States Certified Mail, Return Receipt Requested, Postage Prepaid. Notices shall be addressed to the parties at their respective addresses set forth opposite their respective signatures on this Agreement or at such other address as such party shall designate in writing by notice given hereunder. If mailed as aforesaid, any mailed notice hereunder shall be deemed given on the date deposited in the U.S. Mails, as evidenced by the postmark. If given by a nationally recognized overnight delivery service, notice hereunder shall be deemed given on the date received by the delivery service, as evidenced by its records. Notices sent by any other means shall be deemed given on the date received or on which delivery is refused.

7.5 Nature of Agreements. Each and every representation, warranty, covenant, indemnification and agreement made by the parties in this Agreement or in any instrument, certificate or other document delivered pursuant to this Agreement, shall be deemed to be material, shall survive the execution and delivery of this Agreement and the Closing and the consummation of the transactions contemplated hereby and shall be binding upon and inure to the benefit of the parties hereto and their respective personal representatives, successors and permitted assigns.

7.6 Time. Time is of the essence hereunder. However, if the date for performance of any act hereunder falls on a Saturday, Sunday, or Legal Holiday, then the time for performance of such act shall be deemed extended to the next succeeding regular business day.

7.7 Governing Law. This Agreement shall be construed and interpreted according to the laws of the State of South Carolina.

7.8 Amendment. This Agreement may not be modified, amended, altered, or changed in any respect except by a written agreement executed by all of the parties hereto. Any amendment, waiver or change to this Agreement that adversely affects the rights of Seller's limited partners, including without limitation any reduction in the Purchase Price except as contemplated hereby or any increase in any liability of the limited partners hereunder, shall require the consent of the limited partners of Seller.

7.9 Entire Agreement; Severability. This Agreement constitutes the entire undertaking between the parties hereto, and supersedes any and all prior agreements, arrangements and understanding between the parties with regard to the subject matter hereof, and there are no representations, inducements, conditions, or other provisions other than those expressed herein. If any provision of this Agreement is deemed unenforceable in whole or in part, such provision shall be limited to the extent necessary to render the same valid or shall be excised from this Agreement as need be and this Agreement shall be construed as if such provision had been so limited or as if such provision had not been included herein, as the case may be.

7.10 Counterparts; Captions. This Agreement is executed in multiple counterparts, with an executed counterpart being retained by each party hereto. Each counterpart shall be deemed to be an original, and all of which together shall constitute one and the same instrument. The captions and headings in this Agreement are for convenience and shall not be held or deemed to define, limit, describe, explain, modify, amplify, or add to the interpretation, construction or meaning of any provisions of or the scope or intent of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Address for Notices:

George T. Baker
CAHEC Preservation, LLC
PO Box 23589
Columbia, SC 29224
Office: (919) 645-9847
Fax: (919) 645-9848

SELLER:

New Chester Townhouses, Phase II, A Limited Partnership,
a South Carolina limited partnership

By: CAHEC Preservation, LLC,
a North Carolina limited liability company
Its: General Partner

By: CAHEC Properties Corporation
a North Carolina nonprofit corporation
Its: Manager

By: 
George T. Baker, Senior Vice President

Address for Notices:

George T. Baker
CAHEC MM, LLC
7700 Falls of Neuse Rd, Ste 200
Raleigh, NC 27615
Office: (919) 788-1803
Fax: (919) 532-1803

BUYER:

New Chester Townhouses II of SC, LLC
a South Carolina limited liability company

By: Chester II MM, LLC,
a South Carolina limited liability company
Its: Managing Manager

By: CAHEC MM, LLC,
a North Carolina limited liability company
Its: Manager

By: CAHEC Properties Corporation
a North Carolina nonprofit corporation
Its: Manager

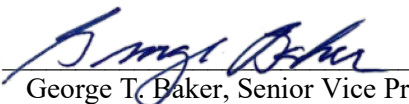
By: 
George T. Baker, Senior Vice President

EXHIBIT A
Real Property Description

All that certain piece, parcel or tract of land, together with the improvements thereon, situate, lying and being in the County of Chester, in the State of South Carolina, containing 4.92 ACRES, and having, according to a Plat prepared for Chester Townhouses, A Limited Partnership, by Civil Engineering of Columbia, dated July 23, 1982, and recorded in the Office of the Clerk of Court for Chester County, South Carolina, in Plat Book "515" at page 553; and having the following courses and distances, to-wit:

BEGINNING at a point at a joint corner of properties now or formerly of Chester Townhouses, Phase I and now or formerly of S.M. Frazer, Jr. and running thence along the line of property now or formerly of S.M. Frazer, Jr., S. 15-54-55 E. 447.69 feet to an iron pin; thence S. 03-21-53 E. 297.51 feet to an iron pin; thence S. 55-52-48 W. 172.12 feet to an iron pin; thence N. 46-20-10 W. 61.59 feet to an iron pin; thence N. 55-56-47 E. 149.43 feet to an iron pin; thence N. 39-36-53 W. 251.99 feet to an iron pin; thence N. 67-58-13 E. 24.99 feet to an iron pin; thence N. 22-53-47 W. 44.91 feet to an iron pin; thence N. 22-56-02 W. 200.95 feet to an iron pin; thence S. 63-31-22 W. 235.77 feet to an iron pin; thence N. 15-57-00 W. 257.87 feet to an iron pin; thence N. 74-03-39 E. 110.05 feet to an iron pin; thence N. 15-55-59 W. 75.00 feet to an iron pin; thence N. 74-04-01 E. 225.25 feet to an iron pin; thence S. 15-56-06 E. 75.00 feet to an iron pin; thence N. 74-03-54 E. 120.42 feet to the point of beginning.

EXHIBIT B

SELLER'S CERTIFICATE

The undersigned does hereby certify to New Chester Townhouses II of SC, LLC, a South Carolina limited liability company, and its members, successors, and assigns, (collectively, the "**Buyer**") that he is a Vice President of CAHEC Properties Corporation, the Manager of CAHEC Preservation, LLC, the General Partner of New Chester Townhouses, Phase II, A Limited Partnership, a South Carolina limited partnership, tax identification number 20-1239731 (the "**Seller**"). In such capacity, the undersigned is familiar with the properties, affairs, operations, and records of the Seller with respect to a 52-unit apartment complex located at 628 Lancaster Highway, Chester, South Carolina, known as Chester Townhouses Phase II (the "Real Property"). The undersigned further certifies as follows:

1. The Buyer is purchasing the Real Property pursuant to the Purchase and Sale Agreement, dated _____, 2025, by and between Buyer and Seller, and the undersigned is transferring the Real Property to the Buyer as of **[Date]** (the "**Closing Date**").
2. The undersigned has held record title to the Real Property as a limited partnership, during the ten (10) year period immediately prior to the Closing Date (the "**10 Year Period**"), and we and our predecessors in interest have operated the Real Property through a partnership for federal income tax purposes. Accordingly, we represent that:
 - A. Seller originally acquired the Real Property by a warranty deed dated on _____ from _____ and recorded in the Office of the Clerk, _____ County Superior Court in Deed Book _____, Page _____, on **[Date]**.
 - B. Seller and each person comprising Seller contributed capital or services and capital accounts which have been maintained for each partner in accordance with the requirements of the Internal Revenue Code of 1986 (the "**Code**") and the applicable Treasury Regulations.
 - C. Seller has maintained separate books of accounts for the partnership.
 - D. Throughout the 10 Year Period, Seller filed federal income tax returns in the name of the Seller reflecting (i) the income, gain, loss, and deduction attributable to the Real Property (including depreciation), (ii) that each Partner owned a percentage interest in the profits, losses, and capital of the Seller, and (iii) an allocation among the partners of profit and loss attributable to the Real Property.
3. After Seller acquired the Real Property, each building was placed in service prior to the 10 Year Period. Seller has operated the Real Property as a residential rental property at all times during the 10 Year Period.
4. During the 10 Year Period, the only changes in the ownership of the Seller were:
5. The undersigned acknowledges that the Buyer intends to claim low-income housing tax credits pursuant to Section 42 of the Code with respect to the acquisition of the Project, that the truth of the certifications made herein are critical to qualifying for such credits and that the Buyer, its members and their successors and assigns, and their respective legal counsel shall be entitled for all purposes to rely fully upon this Certificate.

WITNESS the hand and seal of the Seller this _____ day of _____, 20__.

New Chester Townhouses, Phase II, A Limited Partnership,
a South Carolina limited partnership

By: _____
Its: General Partner

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____) ACKNOWLEDGMENT

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____, in his/her capacity as _____ for the Seller, New Chester Townhouses, Phase II, A Limited Partnership, a South Carolina limited partnership, personally appeared before me this day and voluntarily acknowledged the due execution of the foregoing instrument for the purpose described herein.

Witness my hand and official stamp or seal this _____ day of _____, 20__.

_____ [SEAL]
Notary Public

My commission expires: _____