



Fernwood at Five Points | 9% Low-Income Housing Tax Credits Application | May 19, 2025

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Ms. Kim Wilbourne
South Carolina State Housing Finance and Development Authority 300
Outlet Pointe Blvd. C
Columbia, South Carolina 29210

RE: Fernwood at Five Points Seller Note Commitment

Dear Ms. Wilbourne,

The Columbia Housing Authority ("CHA") owns the Arrington Manor public housing development that comprises Fernwood at Five Points ("Fernwood") redevelopment project.

At closing, the CHA intends on transferring the property to SCAHI Fernwood, LLC (the "Owner") to facilitate the redevelopment and repositioning of this property. The CHA will retain ownership of the land and will enter into a 99-year ground lease with the Owner and will transfer fee simple title to the improvements and other personal property owned by the development. The "as is" market appraised value, as evidenced by the appraisal prepared by Novogradac is \$240,000 for the land and \$4,060,000 for the improvements. The CHA will transfer the land and building to the Owner in exchange for a seller note to be repaid at the below terms:

Rate: AFR at closing (4.62% on 5/16)

Term: 40 years

Repayment: Available cash flow per the waterfall in the Owner Operating Agreement

Lien position: Second

This commitment to transfer the land and improvements in exchange for the Seller Note is valid through December 31, 2026.

Please feel free to contact me at (843) 810-5073 or cherrera@columbiahousingsc.org if you have any questions or need any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Lucinda J. Herrera".

Lucinda J. Herrera
Chief Development Officer