

Evidence of Existing Rental Subsidies Narrative

Fernwood at Five Points ("Project") is the repositioning of Arrington Manor Apartments, a public housing development in Columbia, South Carolina. Currently, the property receives public housing rental and operating subsidy from the U.S. Department of Housing and Urban Development Authority ("HUD"). During the redevelopment process, SCAHI Fernwood, LLC, the owner of the Project, will enter into an Agreement to enter into a Housing Assistance Payments and a subsequent Housing Assistance Payments ("HAP") Contract with the Columbia Housing Authority (Voucher Administrator) for all 58 rental units in the Project.

October 21, 2024

SCAHI Fernwood, LLC
1917 Harden Street
Columbia, SC 29204

RE: Project Based Voucher Commitment

Dear SCAHI Fernwood, LLC:

The Housing Authority of the City of Columbia, SC (Columbia Housing) hereby commits to enter into an Agreement to Enter into a Housing Assistance Payments ("AHAP") Contract and a subsequent Housing Assistance Payments ("HAP") Contract with SCAHI Fernwood, LLC (the "Owner Entity") with regard to 58 (fifty eight) rental units to be developed as **Fernwood at Five Points**, upon successful completion of the project and inspection and acceptance of the units by Columbia Housing.

The HAP Contract will identify the following unit mix and initial rents at the Project as follows:

Number of Units	Unit Type	Contract Rent	Utility Allowance	Gross Rent
58	1 Bedroom	\$1,336	\$70	\$1,406

The Owner Entity agrees to construct the units in accordance with certain U.S. Department of Housing and Urban Development regulations promulgated under 24CFR983, and Columbia Housing agrees to enter into a HAP Contract upon Owner Entity's completion of the units.

Under the HAP Contract, Columbia Housing will provide a monthly housing assistance payment to the Project equivalent to the difference between the tenant payment and the contract rent. The HAP contract will be executed and become effective upon the acceptance and delivery of the units, and will have a term of twenty (20) years with an upfront extension for an additional twenty (20) years.

This commitment is conditioned upon HUD approval of a Subsidy Layering review and the successful financing and development of the project. This commitment will expire upon the earlier of (i) the closing of the financing for the project, or, (ii) June 30, 2025.

HOUSING AUTHORITY OF THE CITY OF COLUMBIA, SC

BY:



LuCinda J. Herrera, Chief Development Officer