

Tab 7 – Initial Operating Agreement

Attached is the Operating Agreement for SCAHI Fernwood, LLC, the Owner of Fernwood at Five Points ("Project"). Because this is an agreement that is entered into prior to closing, the organizational structure outlined in the agreement does not match the Organizational Chart that is included in Tab 7. At closing, the this agreement will be replaced with a Second Amended and Restated Operating Agreement, in which, the organizational structure will match the Organizational Chart that is included in Tab 7.

FIRST AMENDED AND RESTATED OPERATING AGREEMENT
OF
SCAHI FERNWOOD, LLC

This First Amended and Restated Operating Agreement (the "Agreement") is made, entered into and effective as of May 19, 2025, by and among Brinshore Development, LLC, an Illinois limited liability company ("Brinshore"); Fernwood MM, LLC, a South Carolina limited liability company ("Managing Member"), and SCAHI Fernwood, LLC, a South Carolina limited liability company (the "Company").

RECITALS

The Members formed a limited liability company, SCAHI Fernwood, LLC, under the laws of the State of South Carolina (hereinafter referred to as the "Company") pursuant to Articles of Organization filed on December 11, 2023, with the South Carolina Secretary of State.

This Agreement amends, restates and supersedes all previous operating agreements of the Company in all respects and governs the relationship among the Members of the Company and between the Company and the Members pursuant to the Statute.

In consideration of the covenants and the promises made herein, the parties hereby agree as follows:

SECTION 1: DEFINITIONS

"Agreement" means this limited liability company Operating Agreement, as amended.

"Articles of Organization" means the Articles of Organization which were filed on December 11, 2023, with the South Carolina Secretary of State.

"Code" means the Internal Revenue Code of 1986, as amended.

"Capital Account" means the amount of a Member's Capital Contribution, as adjusted, including but not limited to increases due to profits or additional contributions and decreases due to losses and distributions.

"Capital Contribution" means any contribution of value, including but not limited to cash, property, assets, etc., by a Member to the capital of the Company.

"Company Interest" or "Interest" means an ownership interest in the Company expressed as a percentage, which includes the Financial Interest, the right to vote, the right to participate in management, and the right to obtain information concerning the Company, and any other rights granted to a Member under the Articles of Organization or this Agreement.

"Financial Interest" means a right to share in the profits, losses, incomes, expenses, or other monetary items and to receive distributions and allocations from the Company.

"Member" means any person or entity who owns any interest in the Company and is a party to this Agreement but does not include any person who holds only a Financial Interest as a result of an involuntary transfer or assignment or a transfer or assignment in violation of this Agreement.

"Property" means any and all assets, in whole or in part, of the Company, both tangible and intangible.

"Statute" means the South Carolina Limited Liability Company Act, as amended.

SECTION 2: FORMATION

- 2.1. Formation of the Company. The Members formed the Company pursuant to the laws of the State of South Carolina by filing the Articles of Organization with the South Carolina Secretary of State.
- 2.2. Name. The name of the Company is SCAHI Fernwood, LLC. The Members shall operate the business of the Company under such name or use such other names as the Members deem necessary provided that such names do not violate the Statute.
- 2.3. Principal Office. The Company's principal place of business will be located at 1917 Harden Street, Columbia, South Carolina 29204, or any other location determined by the Members. If the principal office is located outside the state of organization, and the Company has one or more business offices in the state of organization, the Members shall fix and designate a principal business office in the state of organization. Branch or subordinate offices may be established at any time and at any place as determined by the Member.
- 2.4. Term. The Company will continue to exist until terminated or dissolved in accordance with its Articles of Organization or this Agreement.
- 2.5. Business Purpose. The purpose of the Company is to engage in any lawful activities for which a limited liability company may be organized under the Statute.
- 2.6. Registered Agent. The Company's registered agent will be Lee McRoberts or any other person or entity with an office in the state of organization as determined by the Members.
- 2.7. Registered Office. The Company's registered office will be the office of the registered agent located at 1917 Harden Street, Columbia, South Carolina 29204, or any other location within the state of organization as determined by the Members.

SECTION 3: MEMBERSHIP

- 3.1. Initial Members. The initial Members of the Company are the persons (or entities) set forth in this Agreement.
- 3.2. Additional Members. Additional persons or entities may be admitted to the Company as Members, and Company Interests may be issued to those additional Members if the Members consent to the admission of the additional Member on such terms and conditions as determined by the and in accordance with the Articles of Organization and this

Agreement. All new Members must sign a copy of this Agreement and agree to be bound by the terms of this Agreement.

- 3.3. Liability to Third Parties. No Member shall be liable for the debts, obligations, or liabilities of the Company to a third party unless such Member agrees in writing to be liable.
- 3.4. Authority. The Members have the authority and power to act for or on behalf of, to bind, or to incur any liability on behalf of the Company.

SECTION 4: CAPITAL ACCOUNTS

- 4.1. Initial Contributions. The initial Members shall contribute to the Company the following Capital Contribution and shall receive the following Company Interest:

<u>Member Name</u>	<u>Capital Contribution</u>	<u>Company Interest</u>
Brinshore Development, LLC	[\$50.85]	[50%]
Fernwood MM, LLC	[\$50.00]	[50%]

- 4.2. Additional Contributions. Except as specifically set forth in this Agreement, Members shall not be required to make any additional Capital Contributions. If the Members determine that additional contributions are necessary or desirable, the Members shall contribute to the Company such additional contributions as the Members determine in its sole and absolute discretion.
- 4.3. Capital Accounts. A Capital Account (hereinafter referred to as "Capital Account") shall be established and maintained for each Member. A Member's Capital Account will be accounted for separately and will be maintained in accordance with generally accepted accounting principles. If a Member validly transfers his, her or its Company Interest, the Capital Account of the transferring Member shall carry over to the transferee Member in accordance with the Code.
- 4.4. Adjustments to Capital Accounts. A Member's Capital Account shall be adjusted as follows:
- (a) Increases. A Member's Capital Account shall be increased by:
- (1) capital contributions of cash and/or property at its agreed upon fair market value;
 - (2) all items of Company income and gain (including income and gain exempt from tax).
- (b) Decreases. A Member's Capital Account shall be decreased by:
- (1) distributions of cash and/or property at its agreed upon fair market value;

- (2) all items of Company deduction and loss (including deductions and loss exempt from tax).
- 4.5. Advances by Members. The Members may, at any time, advance monies to the Company. An advance is a loan from a Member to the Company and shall bear interest at the prevailing interest rate. An advance is not a Capital Contribution.
- 4.6. Return of Capital. A Member shall have the right to withdraw or obtain a return of his, her or its capital contribution at such times and in such amounts as such Member determines in his, her or its absolute discretion subject to any restrictions in this Agreement or the Statute. The return of a Member's capital contribution may be withdrawn in the form of property other than cash.

SECTION 5: ALLOCATION OF PROFITS AND LOSSES AND DISTRIBUTIONS

- 5.1. Determination of Profits and Losses. Profits and losses shall mean net income and net loss as determined by the books and records of the Company, which shall be kept in accordance with generally accepted accounting principles and the Code.
- 5.2. Distributions. Distribution of Company assets and property shall be made at such times and in such amounts as the Members determine subject to any restrictions in this Agreement.

SECTION 6: MANAGEMENT

- 6.1. Management. The Company shall be managed by the Managing Member who shall be responsible for the management of the Company's business affairs. Fernwood MM, LLC shall be the initial Managing Member. The Managing Member shall serve until its resignation or removal by all of the Members, and a successor Managing Member shall be appointed with the written consent of all of the Members. At all times, the Managing Member or successor Managing Member shall be a non-profit corporation or instrumentality thereof that has as one of its purposes the provision of low income housing in compliance with Internal Revenue Service Revenue Procedure 96-32. The Managing Member shall seek the advice and consent of the other Members with respect to business affairs of the Company. Nothing herein shall prohibit the Company nor the Managing Member from entering into any contracts or agreements for the day-to-day management of a low income housing development or the development of such a low income housing development. Notwithstanding the forgoing, Brinshore shall have the power and authority to (i) take any and all actions on behalf of the Company related to low income housing tax credits or the financing of any low income housing development and (ii) to bind the Company to any contract or agreement related to low income housing tax credits or the financing of any low income housing development.
- 6.2. Place of Meeting. Meetings of the Members may be held at any place within the United States designated by the Members. If no place is so specified, Member meetings shall be held at the Company's principal office.

- 6.3. Annual Meeting. An annual meeting of the Members shall be held on the third Wednesday of March each year at the Company's principal office, or such other day and location as the Members may determine from time to time. At the annual meeting, any proper business may be transacted.
- 6.4. Special Meetings. A special meeting of the Members may be held at any time, without notice, and at any place as determined by the Members. At the special meeting, any proper business may be transacted.
- 6.5. Member Action by Written Consent without a Meeting. Any action which may be taken at any annual or special meeting of the Members may be taken without a meeting if consent is in writing, sets forth the action so taken, and is signed by all of the Members. All such consents shall be filed with the Company's books and records.
- 6.6. Powers. The Managing Member has general supervision, direction, and control of the business of the Company. In addition, subject to the provisions of the state of organization's law, any limitations in the Articles of Organization and this Agreement, the Managing Member may make all decisions and take all actions on behalf of the Company not otherwise provided for in this Agreement, including but not limited to the following:
- (a) select and remove all agents and employees of the Company;
 - (b) change the principal business office from one location to another; qualify the Company to do business in any State, territory, dependency, or country; conduct business within or outside the United States; and designate any place within the United States for the holding of any Member meetings;
 - (c) borrow money and incur indebtedness on behalf of the Company and cause to be executed and delivered for the Company's purposes, in the Company name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities;
 - (d) call a meeting, annual or special, of the Members at any time upon notification;
 - (e) enter into, make, and perform contracts and agreements which bind the Company that are necessary and appropriate in the ordinary course of business of the Company;
 - (f) open and maintain bank and investment accounts and designate authorized persons to sign checks or drafts or give instructions concerning those accounts;
 - (g) maintain the assets of the Company;
 - (h) collect sums due and owing to the Company;
 - (i) pay the debts and obligations of the Company; and
 - (j) acquire, use, and dispose of assets during the ordinary course of business.

6.7. Limitation on Powers. Except by the written authorization of the Managing Member, neither a Member nor any Officer of the Company shall have the authority to:

- (a) enter into any agreement, contract, or commitment on behalf of the Company which would obligate any Member to fund additional capital, to guarantee a loan, or to increase a Member's personal liability either to the Company or to a third party;
- (b) perform any action that is contrary to this Agreement;
- (c) place title to any Company asset or property in the name of a nominee or sell, lease, pledge, hypothecate, or grant a security interest in any Company asset or property, except in the ordinary course of business;
- (d) commingle Company funds with the funds of any other person or entity; or
- (e) confess a judgment against the Company.

SECTION 7: TRANSFER AND ASSIGNMENT OF COMPANY INTERESTS

7.1. Restrictions on Transfers; Transferability of Interests. A Member shall not at any time transfer all or any part of its Interest except in accordance with the conditions and limitations set out in this Operating Agreement or as agreed by the Members and the Company. Any transferee of an Interest by any means shall have only the rights, powers and privileges set out herein or otherwise provided by law and shall not become a Member of the Company except as provided in this Article 7.

7.2. Permitted Transfers. The prohibitions on transfer contained in Section 7.1 shall not apply to transfers of Interests of the Company: (a) to the Company, (b) to a Member, (c) to the immediate family members of a Member, or (d) to an entity owned or controlled by a Member or one or more Members.

7.3. Right of First Refusal.

- (a) Receipt of Bona Fide Offer. If any Member shall receive a bona fide offer to purchase any or all of his Interest ("Bona Fide Offer"), and he is willing to accept such Offer, then such Member shall make the offer described in Section 7.3 (b) hereof (the "Offer by Transferor").
- (b) Offer by Transferor. The Offer by Transferor shall be given to the Company and to the Remaining Members and shall consist of a written offer to Transfer all of the Interest proposed to be Transferred by the Transferor. The Offer by Transferor shall include a statement of intention to Transfer and shall disclose all the terms of the proposed Transfer, including the name and address of the Transferee, and shall be accompanied by a copy of the Bona Fide Offer.
- (c) Acceptance of Offer by Transferor. Within thirty (30) days after its receipt of the Offer by Transferor, the Company may, at its option, elect to purchase all of the Interest proposed to be Transferred. The decision of the Company as to the

acceptance or non- acceptance of said offer shall be made by a vote of the Remaining Members. If the Company does not elect to purchase the Interest proposed to be Transferred pursuant to paragraph (b) above, the Company shall, within five (5) business days following delivery of written notice of its election to the Transferor, or within five (5) days following the expiration of the above-described thirty (30)-day period, deliver written notice of its election to the Remaining Members. The Remaining Members may, within forty-five (45) days after the receipt of said notice from the Company, at the Remaining Members' option, purchase all of the Interests proposed to be Transferred, in Proportionate Shares. The Remaining Members shall exercise their election to purchase by giving written notice of such election to the Transferor and to the Company. In either event, such notice of election shall specify a date for the closing of the purchase, which shall be not more than thirty (30) days after the date of such notice.

- (d) Purchase Price. The purchase price for the Interest proposed to be Transferred shall be the same as the purchase price stated in the Bona Fide Offer.
- (e) Closing of Purchase. The closing of purchase shall take place at the principal office of the Company. The Company or the Remaining Members shall have the option of paying the purchase price according to the same terms as the Bona Fide Offer.
- (f) Transfer After Offer. If the Interests are not purchased by the Company or the Remaining Members as provided in this Article 7, the Transferor shall, for a period of three (3) months thereafter, be free to Transfer the Interests to the Transferee, upon the terms disclosed in the offer given to the Company pursuant to Section 7.3(b) of this Operating Agreement.

7.4. Prohibited Transfers Void.

- (a) Any purported Transfer in violation of this Operating Agreement shall be null and void and shall not transfer any interest in, or title to, the Interests Transferred to the purported Transferee. The Company shall not be required to treat as owner of the Interests, or to pay distributions to, any Transferee to whom any of those Interests shall have been purportedly sold or Transferred.
 - (1) In addition, and without in any way intending to validate, approve or otherwise render a Transfer in violation of this Operating Agreement other than null and void, the Company first, and the Remaining Members (in Proportionate Shares) second, shall have the option to purchase all or any portion of the Interests attempted to be Transferred to a Transferee in violation of a restriction on Transfer contained in this Operating Agreement for the price and on the same terms and conditions described hereinabove; provided, however, that the Company and the Remaining Members may pay the purchase price by delivery of a promissory note representing the entire purchase price. To exercise this option, the Company must give the Transferee written notice within thirty (30) days after the Company is notified of the purported Transfer. In the event the Company does not elect

to exercise this option, the Company shall, within ten (10) business days following the expiration of the foregoing thirty (30)-day period, notify the Remaining Members of its election. The Remaining Members must give the Transferee written notice, within thirty (30) days following the receipt of notice from the Company, of their election to purchase all or any portion of the Interest purportedly held by the Transferee. The Transferee's sale obligation pursuant to this section may be specifically enforced by the Company or any Remaining Member.

- 7.5. Rights of Transferee. Unless and until admitted as a Member of the Company in accordance with this Article 7, the Transferee of a Member's Interest shall become an Economic Interest Owner only, and shall not be entitled to any of the rights, powers, or privileges of a Member, except that such Economic Interest Owner shall be entitled to receive the distributions and allocations to which the Member would be entitled but for the Transfer of his Interest.
- 7.6. Admission of Transferees as Substitute Members. A Transferee of a Member's Interest may be admitted as a Member of the Company upon furnishing to the Company all of the following:
- (a) The written consent of all the Members;
 - (b) The acceptance, adoption, and approval in writing and in a form satisfactory to the Members owning a Majority Interest, of all the terms and conditions of this Operating Agreement; and
 - (c) Payment of such reasonable expenses as the Company may incur in connection with the Transferee's admission as a Member.
- 7.7. Additional Members. From the date of the formation of the Company, any Person or Entity acceptable to the Members by unanimous vote may become a Member of the Company by executing an Admission Agreement setting forth the terms of the Capital Contribution and this Operating Agreement and by the issuance by the Company of Interests for such consideration as the Members by their unanimous votes shall determine.
- 7.8. Allocation to Substitute and Additional Members. No Substitute or Additional Member or Economic Interest Owner shall be entitled to any retroactive allocation of losses, income or expense deductions incurred by the Company. The Members may, at their option, at the time a Substitute or Additional Member is admitted, close the Company books (as though the Company's tax year had ended) or make pro rata allocations of loss, income and expense deductions to a Substitute or Additional Member for that portion of the Company's tax year in which a Member was admitted in accordance with the provisions of §706(d) of the Code and the Treasury Regulations promulgated thereunder.
- 7.9. Withdrawal. Except as expressly permitted in this Operating Agreement, a Member shall not voluntarily withdraw or take any other voluntary action which directly causes a Withdrawal Event. Unless otherwise approved by Members owning a Majority Interest, a Withdrawing Member, or a Member whose Interest is otherwise terminated by virtue of a

Withdrawal Event, regardless of whether such Withdrawal Event was the result of a voluntary act by such Member, shall not be entitled to receive any Distributions to which such Member would have been entitled had such Member remained a Member. Except as otherwise expressly provided herein, a Withdrawing Member shall become an Economic Interest Owner. Damages for breach of this Section 7.8 shall be monetary damages only (and no specific performance), and such damages may be offset against Distributions by the Company to which the Withdrawing Member would otherwise be entitled.

SECTION 8: BOOKS AND RECORDS

- 8.1. Maintenance of Books and Records. The Company shall establish and maintain appropriate books and records of the Company in accordance with generally accepted accounting principles. There shall be kept at the principal office of the Company and the registered office of the Company, if different, the following Company documents:
- (a) the name and business or residence address of the Members and his, her or its Capital Contribution and Company Interest;
 - (b) a copy of the Articles of Organization and this Agreement and any amendments thereto;
 - (c) copies of the Company's federal, state, and local income tax or information returns, if any, for the past six fiscal years;
 - (d) copies of the financial statements of the Company, if any, for the past six fiscal years;
 - (e) originals or copies of all minutes, actions by written consent, consents to action, and Members' actions and consents; and
 - (f) any other information required to be maintained by the Company pursuant to the Statute.
- 8.2. Annual Accounting. Within ninety days after the close of each fiscal year of the Company shall cause to be prepared and submitted to the Members a balance sheet and income statement for the preceding fiscal year of the Company (or portion thereof) in conformity with generally accepted accounting principles and provide to the Members all information necessary for the Members to complete federal and state tax returns.
- 8.3. Bank Accounts. All funds of the Company shall be deposited in the Company's name in such banks as determined by the Managing Member. All checks, drafts, or other orders for payment of money, notes or other evidence of indebtedness, issued in the name of or payable to the Company, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by the Managing Member.
- 8.4. Fiscal Year. The Company's fiscal year shall end on December 31.

- 8.5. Accounting Method. For financial reporting purposes, the books and records of the Company shall be kept on the cash method of accounting applied in a consistent manner and shall reflect all transactions of the Company and be appropriate and adequate for the purposes of the Company.

SECTION 9: TAXATION

- 9.1. Tax Year. The Company's taxable year shall end on December 31.

SECTION 10: INDEMNIFICATION

- 10.1. Definitions: Agents, Proceedings, and Expenses. For the purposes of this Agreement, "Agent" means any person who is or was a Member, employee, or other agent of the Company; "Proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "Expenses" means any and all costs, fees, and expenses including but not limited to court costs and attorney's fees.
- 10.2. Actions Other Than by the Company. The Company shall indemnify and hold harmless any person or Agent who was or is a party, or is threatened to be made a party, to any Proceeding (other than an action by or in the right of the Company) by reason of the fact that such person is or was an Agent of the Company, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such Proceeding, if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of the Company, and, in the case of a criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Company or that the person had reasonable cause to believe that his or her conduct was unlawful.
- 10.3. Actions by the Company.
- (a) The Company shall indemnify any person or Agent who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action by or in the right of the Company to procure a judgment in its favor by reason of the fact that the person is or was an Agent of the Company, against expenses actually and reasonably incurred by that person or Agent in connection with the defense or settlement of that action if that person or Agent acted in good faith, in a manner that person or Agent believed to be in the best interests of the Company, and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances.
 - (b) No indemnification, however, shall be made under this section (i) with respect to any claim, issue or matter as to which that person or Agent shall have been adjudged to be liable to the Company in the performance of that person's or Agent's duty to the Company, unless the court in which that action was brought shall determine

upon application that the person or Agent is fairly and reasonably entitled to indemnity for the expenses which the court shall determine; (ii) for amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or (iii) for expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval.

- 10.4. Successful Defense by Agent. To the extent that an Agent of the Company has been successful on the merits in defense of any Proceeding, the agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the Proceeding.
- 10.5. Required Approval. Any indemnification under this section shall be made by the Company only if authorized in writing upon a determination by the Members.
- 10.6. Advance of Expenses. Expenses incurred in defending any Proceeding may be advanced by the Company before the final disposition of the Proceeding upon receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it shall be determined ultimately that the Agent is entitled to be indemnified.
- 10.7. Other Contractual Rights. Nothing contained in this section shall affect any right to indemnification to which Agents of the Company or any subsidiary may be entitled by contract, by determination of the Managing Member, as a matter of law or equity, or otherwise.
- 10.8. Insurance. The Company may, upon a determination by the Managing Member, purchase and maintain insurance on behalf of any Agent of the Company against any liability which might be asserted against or incurred by the Agent in such capacity, or which might arise out of the Agent's status as such, regardless of whether the Company would have the power to indemnify the Agent against that liability.
- 10.9. Amendment to State of Organization's Laws. In the event that South Carolina law regarding indemnification of members, managers, directors, officers, employees, and other agents of an Company, as in effect at the time of adoption of this Agreement, is subsequently amended in any way that increases the scope of permissible indemnification beyond that set forth herein, the indemnification authorized by this section shall be deemed to be coextensive with the maximum afforded by the state of organization's law as so amended.

SECTION 11: TERMINATION AND DISSOLUTION

- 11.1. Dissolution. The Company shall be dissolved upon the occurrence of any of the following events:
 - (a) the expiration of the period fixed in the Articles of Organization, if any;
 - (b) the written consent of all of the Members;

- (c) the death, withdrawal, resignation, expulsion, bankruptcy or dissolution of a Member, or the occurrence of any other event which terminates the Member's continued membership in the Company, except that the remaining Members may elect to continue the Company.
- 11.2. Notice of Winding Up. Upon the occurrence of any of the events specified above, the Company shall execute and file a Notice of Winding Up, if required, with the Secretary of State of the State of South Carolina.
- 11.3. Conduct of Business. Upon the occurrence of any of the events specified above, the Managing Member shall act as liquidator and wind up all Company business and affairs. However, the Company shall continue to exist until Articles of Dissolution have been filed with the Secretary of State of the State of South Carolina or until a decree dissolving the Company has been entered by a court of competent jurisdiction.
- 11.4. Distribution of Net Proceeds. Upon the occurrence of any of the events specified above and the completion of the winding up all Company business and affairs, the assets of the Company shall be promptly liquidated and distributed in the following order:
- (a) to the payment of creditors, excluding the Member, in the order of priority as provided by law;
 - (b) to the payment of loans or advances made by the Member;
 - (c) to the Member.

Where the distribution consists both of cash and noncash assets, the cash shall be distributed first, in descending order, to the above categories. With respect to the noncash assets, which distribution values are to be based on the fair market value of the noncash asset as determined in good faith by the liquidator, the liquidator may sell the noncash assets and distribute the cash proceeds or distribute the assets in kind, in descending order, to the above categories.

- 11.5. Termination. The Company shall be terminated upon the distribution of all assets. The Managing Member shall cause the Company to file Articles of Dissolution with the South Carolina Secretary of State or take any other actions necessary to terminate the Company.

SECTION 12: AMENDMENTS

- 12.1. Amendments by Members. This Agreement may be adopted, amended, altered, or repealed by the written consent of all of the Members.

SECTION 13: GENERAL PROVISIONS

- 13.1. Entire Agreement/Modification. This Agreement contains the entire understanding of the parties with respect to the subject matter of the agreement, and it supersedes all prior understandings and agreements, whether written or oral, and all prior dealings of the parties with respect to the subject matter hereof. This Agreement, in whole or in part, cannot be changed, modified, extended, or discharged orally and no waiver of compliance with any

provision or condition hereof and no consent provided for herein shall be effective unless evidenced by an instrument in writing duly executed by the party against whom enforcement of any waiver, change, modification, extension, or discharge is sought. Further, no consent or waiver, express or implied, to or of any breach or default shall constitute a consent or waiver to or of any other breach.

- 13.2. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
- 13.3. Successor and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, legal representatives, and assigns. This Agreement may not be assigned by any party without the express written consent of the other parties.
- 13.4. Construction. Throughout this Agreement, the masculine, feminine, or neuter genders shall be deemed to include the masculine, feminine, and neuter and the singular, the plural, and vice versa. The section headings of this Agreement are for convenience of reference only and do not form a part hereof and do not in any way modify, interpret, or construe the intentions of the parties.
- 13.5. Governing Law. This agreement shall be governed by, and interpreted in accordance with, the laws of the State of South Carolina.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE

IN WITNESS WHEREOF, the Company and Members hereto has caused this Agreement to be duly executed as of the date first above written.

COMPANY:

SCAHI Fernwood, LLC,
a South Carolina limited liability company

By: **Fernwood MM, LLC,** a South Carolina
limited liability company, its Managing
Member

By: **South Carolina Affordable Housing
Initiative, Inc.,** a South Carolina non-profit
corporation, its sole member

By: _____

Lucinda Herrera,
Vice President/Secretary

MEMBER:

Brinshore Development, LLC,
an Illinois limited liability company

By: **RJS Real Estate Services, Inc.,** an
Illinois corporation, its Member

By: _____

Richard Sciortino, President

MANAGING MEMBER:

Fernwood MM, LLC, a South Carolina
limited liability company

By: **South Carolina Affordable Housing
Initiative, Inc.,** a South Carolina non-profit
corporation, its sole member

By: _____

Lucinda Herrera,
Vice President/Secretary