



May 16, 2025

Oakland Place RAD 2024, LLC  
c/o Mr. Steven Bauhan  
The Paces Foundation, Inc.  
2730 Cumberland Boulevard SE  
Smyrna, Georgia 30080

**Re: Oakland Place  
Florence, Florence County, South Carolina**

Dear Mr. Bauhan:

Thank you for considering JPMorgan Chase Bank, N.A. (“JPMorgan Chase” or “Lender”) as a potential construction lender for the redevelopment of affordable rental housing to be known as **Oakland Place** and located in Florence, Florence County, South Carolina. We have completed a preliminary review of the materials you have submitted, and the following is a brief outline of the terms that we propose to underwrite for credit approval. Of course, this letter is for discussion purposes only and does not represent a commitment by JPMorgan Chase to provide financing for the project nor an offer to commit, but is rather intended to serve as a basis for further discussion and negotiation should you wish to pursue the proposed transaction. Our interest and preliminary terms are subject to change as our due diligence and discussions with you continue. Such a commitment can only be made after due diligence materials are received, reviewed and approved and credit approval has been obtained.

Borrower:	Oakland Place RAD 2024, LLC
Developer(s):	Paces Preservation Partners, LLC & Housing Authority of Florence RAD, LLC
Project:	Oakland Place consists of an 64-unit affordable property targeted towards family households and located at 711 Oakland Place in Florence, Florence County, South Carolina.
Facility Type:	Construction Loan
Amount:	Not to exceed \$19,000,000; subject to final budget, sources and uses of funds, and LIHTC equity pay-in schedule.
Initial Term:	24 months.
Interest Rate:	The Construction Loan (including the principal amount of any advance after the initial advance) shall bear interest at a per annum interest rate equal to the one-month Term SOFR plus 275 basis points (the “Interest Rate”). Any one-

JPMorgan Chase Bank, N.A. • Community Development Real Estate • 100 N Tampa Street, 33<sup>rd</sup> Floor, Tampa, FL 33602 •  
Telephone: 813.483.8265 • Facsimile: 866.580.3274  
[laura.m.myers@chase.com](mailto:laura.m.myers@chase.com)

month Term SOFR less than 1.0% shall be deemed to be 1.0%. The construction interest reserve will be calculated with a cushion determined by Lender.

The current indicative rate is 7.08%.

Commitment Fee:	1% of the loan amount.
Extension Option:	One, conditional, six-month maturity extension.
Extension Fee:	0.25% of the sum of the loan balance and the amount remaining of the original commitment.
Collateral:	First mortgage; other typical pledges and assignments.
Guarantee:	Full payment and completion guarantees and environmental indemnity by a guarantor or guarantors/indemnitor(s) satisfactory to JPMorgan Chase.
Developer Fee:	Assigned to Lender. Notwithstanding provisions of the LP or LLC Agreement, any payments of developer fee prior to permanent debt conversion are subject to Lender's prior approval.
Tax Credit Equity:	At least 15% must be paid in at closing. The identity of the equity investor and pay-in schedule for this transaction must be disclosed and acceptable to the Lender in its sole discretion.
Subordinate Liens:	Subordinate financing will be permitted subject to approval of terms by JPMorgan Chase and Impact.
Repayment:	Construction Loan will be repaid from equity funded up to and including conversion to the permanent financing and from the permanent loan.
Loan to Value:	Up to 80% including the value of the real estate and low income housing tax credits.
Contract Bonding:	100% Payment and Performance Bonds from "A" rated surety

We appreciate the opportunity to discuss with you the possibility of providing construction and permanent financing for the proposed project. This letter of interest is for your and Georgia Housing Finance Corporation's information and use only, and is not to be shown to or relied upon by other parties. **Please note, credit markets are volatile. Loan fees and interest rates are subject to adjustment prior to Construction Loan Closing.**

JPMorgan Chase and its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transaction described herein or otherwise. JPMorgan Chase and its affiliates may share information about you in connection with the potential transaction or other possible transactions with you.

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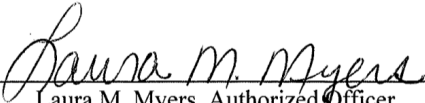
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This letter, which expires November 30, 2025, serves as an outline of the principal terms of the proposed facility, and is subject to receipt and satisfactory review of all due diligence materials by Lender and to change as described above. JPMorgan Chase cannot extend any legally binding lending commitment until formal credit approval has been obtained and a commitment letter has been issued.

Sincerely,

JPMORGAN CHASE BANK, N.A.

By:   
Laura M. Myers, Authorized Officer

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