



Palmetto Housing Corporation

P.O. Box 969/ Florence South Carolina 29503

Phone (843) 669-4163/ Tty (800) 855-4000/ Fax (843) 679-2626

May 20, 2025

Oakland Place RAD 2024, LLC
711 Oakland Ave
Florence, SC 29506

Commitment Letter- Loan to Oakland Place RAD 2024, LLC (the "Buyer")

Ladies and Gentlemen:

Upon the closing of the equity investment and execution of the Limited Partnership Agreement of the Buyer (the "Partnership Agreement") and concurrently with the Buyer's ground lease of the real property located in Florence, Florence County, South Carolina, and new construction located thereon from Seller, if any (the "Property"), Palmetto Housing Corporation (the "Lender") will, subject to (i) approval by the board of commissioners of the Lender, (ii) approval by the Department of Housing and Urban Development, if required, and (iii) the terms described below, fund a subordinate loan to the Buyer (the "Subordinate Loan") for the purpose of financing the construction and equipping of the Property.

The Subordinate Loan will have the following terms:

1. The Loan amount will be approximately \$640,000.
2. The Loan will bear interest at 1.0% compound interest.
3. The Loan will be secured by a deed to secure debt encumbering the ground leasehold interest in the Property, which includes the underlying real estate, and by a perfected security lien in all leases, rents, income and profits from operation of the Property, all personal property, both tangible and intangible (including replacements, substitutions and after-acquired property) located in the Property, or used or intended to be used in connection with the Property. The aforementioned deed to secure debt will be subordinated to those of the senior lenders, during the construction phase, and during the permanent phase.
4. The Loan will be repayable from annual net cash flow generated by the Property's operations and from the net proceeds of any sale or refinancing of the Property, in the order and priority as will be set forth in the Subordinate Loan documents. The term of the Subordinate Loan shall be forty (40) years, and any unpaid principal and interest shall be due at the end of the term. The Loan will be repayable at any time by the Buyer.
5. The Loan will be subordinate to the first priority loan(s) for construction and permanent financing. The Loan will provide that the development fee shall be paid in full, before any payments are required for the Loan from distributions of net cash flow or net proceeds from a sale or refinancing.
6. The Loan will be evidenced by a Promissory Note and deed to secure debt in a form acceptable to Lender in its reasonable discretion.
7. The Loan will be non-recourse to the partners of Buyer.

This letter supersedes and amends any prior letter executed by us relating to the foregoing matters. Please feel free to contact us if you have any questions.

Sincerely,

Palmetto Housing Corporation

By: John Barnes

Vice Chairman

Agreed and accepted by:

Oakland Place RAD 2024, LLC

By: [Signature]
Authorized Signatory



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Funding Commitment Letter

Ladies and Gentlemen:

As part of the development's financing, funding will be provided by Palmetto Housing Corporation (PHC), a South Carolina nonprofit organization dedicated to supporting affordable housing initiatives. Although PHC was originally established to advance regional housing efforts, it operates as a fully independent legal entity with its own governing board and is not controlled by, nor affiliated with, the Housing Authority of Florence (HAFSC).

While HAFSC is a development partner, PHC's financial support is entirely separate and independent of HAFSC's involvement. The PHC board of directors is distinct from that of HAFSC, with no overlap in governance or decision-making authority. This separation ensures there is no conflict of interest or improper financial interdependence between PHC's role as a funding source and HAFSC's role as a partner in the project.

PHC's contribution is being provided in the form of a loan, issued under its independent authority and consistent with its mission to promote access to affordable housing. This structure is designed to ensure transparency, maintain compliance with all applicable program regulations, and uphold the integrity of the project's financing. While PHC operates independently, its efforts remain aligned with the broader goals of local government to increase the availability of affordable housing.

Sincerely,
Palmetto Housing Corporation

By: Samuel W. Boylke
Chairman

By: John Barnes
Vice Chairman