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CREALLC.COM

May 15, 2025

John K. Zollinger, Jr.
Pageland Place 2023 L.L.C.
20250 Harper Ave.
Detroit, MI 48225

Re: Pageland Place Apartments (the “Project”)

Dear Mr. Zollinger:

This letter of intent (this “Letter of Intent”) summarizes the principal business terms under which a CREA, LLC (“CREA”) entity (sometimes referred to herein as the “Investor Member”) will acquire an interest in Pageland Place 2023 L.L.C. (the “Company”) that will develop and operate the Project. The terms and conditions of the Investor Member’s investment in the Project are subject to the execution of a mutually agreed upon operating agreement (the “Operating Agreement”) and CREA’s Capital Committee approval. Capitalized terms not otherwise defined herein will have the meanings set forth in the Operating Agreement.

1) Project Information and Assumptions

The Investor Member’s willingness to acquire an interest in the Company is based upon the following information and assumptions. CREA reserves the right to update and adjust this Letter of Intent to reflect any changes in the following information and assumptions discovered during the due diligence and underwriting review.

- a) The Project, located in Pageland, SC, County of Chesterfield, will have 50 family units for rent. Within the Project, 50 units will be occupied in compliance with the Federal low-income housing tax credit (“LIHTC”) requirements of Section 42 of the Internal Revenue Code (the “Code”).

- b) Participants

Managing Member (0.001%):	MCFAH South Carolina L.L.C.
Special Member Class I (0.009%):	ACD Partners XLIV L.L.C.
Investor Member (99.989%):	CREA Pageland Place Apartments, LLC
Special Member (0.001%):	CREA SLP, LLC
Developer:	American Community Developers, Inc.
General Contractor:	St. Clair Construction Company
Property Manager:	Independent Management Services

Guarantors:

Managing Member, Developer, and American Community
Developers

c) Tax Credit Delivery and Pricing

The terms and conditions set forth in this Letter of Intent are based upon a financial model initially submitted to CREA. Prior to closing, CREA will underwrite your financial assumptions and prepare a final financial model which, if acceptable to the Managing Member, will be attached to the fully executed Operating Agreement (the “Financial Forecasts”).

The Financial Forecasts will reflect an equity amount equal to the product of (i) Federal Low Income Tax Credits and State Tax Credits from the Agency; (ii) Investor Member Interest of 99.989%; and (iii) the credit price of \$0.80 (Federal Tax Credits) and \$0.45 (State Tax Credits).

Equity

Federal LIHTC Reservation	\$8,548,930
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Investor Member Interest:	99.989%
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Federal Credit Price:	\$.80
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Total Federal Low-Income Equity	\$6,838,392
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State LIHTC Reservation	\$7,442,890
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Investor Member Interest:	100.00%
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State Credit Price:	\$.45
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Total State Low Income Equity	\$3,349,301
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TOTAL Investor Member Equity	\$10,187,693
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CREA SLP, LLC Equity:	\$100
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2) Investor Member’s Capital Contribution

- a) The Investor Member will make capital contributions (“Capital Contributions”) to the Company in installments (each, an “Installment”), pursuant to the terms and conditions of the Operating Agreement. Installments will be made as follows:

- 1) 20% of Total Investor Member Equity at Admission;
- 2) 55% of Total Investor Member Equity at Completion;
- 3) 20% of Total Investor Member Equity at Stabilization; and
- 4) 5% of Total Investor Member Equity at receipt of 8609s;

- b) Reserve Requirements:

- 1) The Company will establish the Operating Reserve in the amount of six months’ underwritten Operating Expenses, must pay debt service, and required deposits to the Replacement Reserve. The Operating Reserve will be funded in accordance with the Financial Forecasts. The Operating Reserve will be held in the Operating Reserve Account at a bank selected by the Investor Member, which account will require the prior written Consent of the Investor Member for withdrawals (which shall not be unreasonably withheld). The Operating Reserve will be used to fund

Operating Deficits and will be replenished pursuant to Section 5. The Operating Reserve will be released in accordance with Section 5 at the end of the Compliance Period.

- 2) The Company will establish and maintain an annual Replacement Reserve equal to the greater of: (1) the amount required by the Lender; and (2) \$450 per unit per annum escalating at 3.00% per annum, or such greater amount as CREA may reasonably require following its review of the construction documents. On the sixth and eleventh anniversary of Construction Completion, the Special Member will have the right to require a physical needs assessment of the Project pursuant to which the amount reserved on a monthly basis may be increased.
- 3) The Company will establish and maintain an Insurance Reserve equal to the greater of: (1) the amount required by the Lender; and (2) half of the annual cost of insurance, currently estimated at \$16,250, escalating at 3.00% per annum.
- 4) The Company will establish and maintain a Real Estate Tax Reserve equal to the greater of: (1) the amount required by the Lender; and (2) half of the annual cost of real estate taxes currently estimated at \$12,280, escalating at 3.00% per annum.

Thank you for your consideration and we sincerely appreciate the opportunity to work with you.

Very truly yours,

CREA, LLC

By: Alison Anderson

Name: Alison Anderson
Title: Senior Vice President