



LETTER OF INTEREST

May 22, 2025

Rusty Snow
Lincoln Avenue Capital
680 5th Avenue
New York, NY 10019

**RE: Pulaski Place Apartments, LP
Pulaski Place
Columbia, SC**

Dear Mr. Snow:

Berkadia Affordable Tax Credit Solutions ("Berkadia") is pleased to provide you with this Letter of Interest for Pulaski, Place a low-income housing development located in Columbia, SC (the "Project"). We are providing this letter in connection with an application for tax credits, to evidence our interest in making an equity investment in the Project as the tax credit investor.

We understand that you are submitting an application for an allocation of 9% low income housing tax credits, which will be based on the information and terms set forth on Exhibit A, attached hereto.

The provisions of this Letter of Interest are non-binding and not intended to create or constitute any liability of legally binding obligation between the parties and is given for the sole purpose of inclusion with your tax credit application. Once you receive your allocation, we will endeavor to obtain placement of this deal into one of our funds subject to completion of our standard due diligence process, approval by the Berkadia Investment Committee and certain other conditions and requirements to be determined at a later date.

Thank you for giving us the opportunity to review your LIHTC community. Please let us know if we can provide you with any additional information you may need to make your application successful.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Sigmon". The signature is fluid and cursive, with a long horizontal stroke at the end.

Justin Sigmon
Director - Acquisitions
Berkadia Affordable Tax Credit Solutions

EXHIBIT A:

The preliminary terms and conditions set forth herein are based on information and assumptions provided by you for review by Berkadia:

I. DEAL INFORMATION:

- a. Type of Construction: New Construction
- b. Number of Units: 50 units
- c. Number of Buildings: 1 building
- d. Tenancy Type: Family

II. TIMING AND TAX CREDIT INFORMATION

- a. Estimated Closing Date: June 1, 2026
- b. Construction Completion Date: December 1, 2027
- c. Stabilized Operations Date: June 1, 2028
- d. Applicable Percentage: 100%
- e. Applicable Tax Credit Rate: 9%
- f. Use of Bonus Depreciation: Yes (if applicable)
- g. Total LP Equity: \$19,173,083, as outlined below:

	<u>Federal LIHTC</u>	<u>State LIHTC</u>
Annual Allocation:	\$1,750,000	\$1,000,000
Total Credits to Partnership:	\$17,500,000	\$10,000,000
LP % Rate:	99.99%	99.99%
Total LP Credits ("LP Credits"):	\$17,498,250	\$9,999,000
Price per Credit:	\$0.81	\$0.50
Total LP Equity:	\$14,173,583	\$4,999,500

III. CAPITAL CONTRIBUTIONS

- a. \$19,173,083 of Total LP Equity (\$14,173,583 Federal LIHTC Equity and \$4,999,500 of State LIHTC Equity)
- b. Installment Payments:
 - i. \$3,834,617 (20.00%) at Closing.
 - ii. \$3,834,617 (20.00%) at later of December 1, 2027, Construction Completion, or receipt of the Final Cost Cert.
 - iii. \$11,216,254 (58.50%) at later of June 1, 2028, 93% Physical Occupancy, Funding of Permanent Loans, 100% Qualified Occupancy, or 100% Credit Qualification, achievement of a Debt Service Coverage Ratio of 1.15x for three (3) consecutive months.
 - iv. \$287,596 (1.50%) at later of June 1, 2029, or receipt of Form 8609 ("Final Capital Contribution").

IV. RESERVES/GUARANTEES

- a. Replacement Reserve: \$300 per unit per year, increasing at 3.0% annually, which amount is subject to final underwriting and lender/funder requirements.
- b. Operating Reserve: \$273,954 to be funded into the operating reserve account (the "Operating Reserve Account"), which amount is subject to final underwriting.
- c. Completion Guaranty: Unlimited through Stabilization
- d. Operating Deficit Guaranty: Capped at 6 months of OEDSR for 5 years following Stabilization.
- e. Tax Credit Guaranty: Unlimited through the compliance period.
- f. Other: If applicable - Repurchase, Environmental, Section 8, as further described in the Partnership Agreement.

V. DEVELOPER FEE

- a. Estimated Development Fee: \$1,250,000
- b. Cash Developer Fee: \$994,412
- c. Deferred Developer Fee: \$255,588