

Application Clarifications and Supporting Information

Project Name: The Old Wight

Applicant: The Old Wright, LLC

The following items are provided to clarify key aspects of the development program, cost assumptions, and compliance with the Qualified Allocation Plan (QAP):

1. Rent Structure and Affordability

Proposed rents are intentionally set below maximum allowable LIHTC limits. This approach is designed to ensure strong market acceptance while advancing deeper affordability for the target population. The rent structure supports both lease-up stability and long-term occupancy.

2. Environmental Remediation

The General Contractor has extensive experience in environmental remediation of existing buildings, including asbestos and lead-based paint abatement. All associated remediation costs have been fully incorporated into the project's hard cost budget, ensuring no future cost exposure.

3. Wetlands Protection (Exhibit 16)

As demonstrated in Exhibit 16, the proposed construction and development footprint has been carefully designed to avoid disturbance of all identified wetland areas. The site plan fully complies with applicable environmental regulations.

4. Water Infrastructure Improvements

All existing water lines will be fully replaced, including service lines from the municipal main to the building, as well as all interior distribution piping. This comprehensive upgrade ensures long-term system reliability and modern performance standards.

5. Studio Unit Size Waiver

Studio unit sizes exceed the maximum limits outlined in the QAP. A waiver for this condition was formally granted by Kim Wilbourne via email dated April 29, 2026. Documentation of this approval is attached.

6. Town of Abbeville In-Kind Contribution

The Town of Abbeville has committed \$250,000 in in-kind support. This contribution is not reflected in the Sources and Uses statement, as it consists of waived fees and/or direct infrastructure support rather than cash funding.

7. 20-Year Pro Forma and Tax Treatment

A 20-year pro forma is included as an exhibit. It illustrates the projected behavior of three tax components: City, County, and Business Personal Property (BPP) taxes.

- City and County taxes reflect reassessment timing consistent with the Bailey Bill, with inflection points occurring in Year 19 and Year 9, respectively. These timelines correspond to the Bailey Bill's 20-year and 10-year benefit periods, adjusted for an 18-month construction phase. At these points, property valuation transitions to an income-based approach.
- Business Personal Property (BPP) taxes are modeled separately and increase at a consistent annual rate of 3% from the start of operations.

From: Wilbourne, Kim 9083 kim.wilbourne@schousing.com
Subject: RE: Old Wright - Sq Ft & 8609 questions
Date: April 29, 2026 at 11:48 AM
To: Stephen Brock stephen@brockvi.com, Taxcreditquestions taxcreditquestions@schousing.com
Cc: Tonya Haddock tonya.haddock@cadencedevelop.com

Stephen,

For the 9% program, SC Housing is able to grant waivers for the unit square footage. The typical turn time from PIS application received to 8609 issued is 45 - 60 days. This time does depend on a clean application submission, developer's quick response to questions on the application, and whether or not the agency is accepting 9% or TEB applications.

Thanks,
Kim

-----Original Message-----

From: Stephen Brock <stephen@brockvi.com>
Sent: Wednesday, April 29, 2026 11:41 AM
To: Wilbourne, Kim 9083 <kim.wilbourne@schousing.com>; Taxcreditquestions <taxcreditquestions@schousing.com>
Cc: Tonya Haddock <tonya.haddock@cadencedevelop.com>
Subject: [External] Old Wright - Sq Ft & 8609 questions

Hi Ms Wilbourne

In upcoming 9% app (Old Wright), we are proposing adaptive reuse in an old school and some classrooms just happen to be 663 sq ft and otherwise work great as Studios. Per QAP, Studios cannot be > 575 sq ft....and a 1BR cannot be < 750 sq ft. Thus 576 - 724 is not allowed.

So unless there's a waiver or way around that, we will have to just wall off about 100 sq ft of unused, dead-space in each of the studio units. Please advise if this is acceptable or can be waived or other ideas/guidance.

Also, unrelated to above but for my u/w model — what is approx turn around time for 8609s once FCC is submitted (assuming no major issues)?

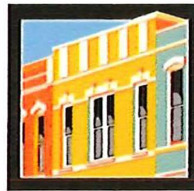
Thank you so much

Stephen Brock

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Abbeville
SOUTH CAROLINA



Pretty.
Near.
Perfect.™

BAILEY BILL APPLICANT MEMORANDUM OF UNDERSTANDING

“Historic Old Wright Middle School”

The applicant must read and initial each of the following statements:

TH I understand that my historic project has received preliminary approval from the Historic Properties Protection Commission (HPPC) based on the submittal received by them on “September 16, 2025”. This preliminary approval will be dated to when construction on the project begins, and I understand that my project must be completed within two years of that date. I understand that I am responsible for notifying the City when construction work is set to begin so that an official update to this MOU can be created stating the construction date.

TH I understand that my historic property being listed on the National Register of Historic Places or included in the City’s Historic District is a requirement to receive the Bailey Bill Incentive. I understand that if I do not meet these criteria I will not receive the Bailey Bill Incentive.

TH I understand that ANY changes or additional work to the historic building which were not part of the original approved submission will need review and approval by either city staff or the HPPC. This is applied for using the Part A – Amendment form.

TH I understand that any changes to the historic structure, either before, during or after final certification (during the 10 year tax freeze period) which have not been expressly approved by either city staff or the HPPC may disqualify my project from receiving further tax abatement.

TH I understand that city staff will need to review the project regularly and I or my representative will meet with them on-site as necessary.

TH I understand that I or my representative will notify the City of Abbeville Zoning Administrator in writing if the property is sold within the 10 year tax freeze period. Failure to do so may disqualify the property from receiving the remainder of the tax abatement. Upon sale of the property, a letter stating the date of sale, and the name(s) of the new owner(s), shall be sent to the Zoning Administrator.

The Old Wright, LLC
by: The Old Wright MM, LLC

By: Tonya Haddock,
Managing Member

Tonya Haddock

9/17/2025

Printed Name of Property Owner(s)

Signature(s)

Date

Colton R Jones

[Signature]

9-17-25

Printed Name of Zoning Administrator

Signature(s)

Date

Old Wright School
Abbeville, SC
May 6, 2026

Rent & Income Increase Annually	2.0%	GAP 2%
Expense Increase Annually	3.0%	GAP 3%
Vacancy Rate - Residential	7.0%	GAP 7% or market study
Vacancy Rate - Commercial	20.0%	
Reserves Increase Annually	2.0%	
Number of Units	38	

Pro Forma Schedule

+ Potential Gross Market Income
+ Potential Gross Commercial Income
= Potential Rent Income Subtotal

Miscellaneous Income

Unit Based Other Income
Non-Unit Based Other Income
+ Total Miscellaneous Income

Yr 1 PUPM: \$13.29
GAP max 3% 1.7%

= Gross Revenues

- Vacancy Market
- Vacancy Commercial
= Vacancy Subtotal

= Effective Gross Income

- Operating Expenses (not incl RE Tax)

- RE Tax - City Bailey Bill - 20 years (2 during const) then 3%
- RE Tax - County/Sch Bailey Bill - 10 years (2 during const) then 3%
- Bus.PP Tax trends at 3%

- Replacement Reserves

= Net Operating Income

- Debt Service

Centrant

Debt Service Subtotal

= Net Cash Flow

Debt Coverage Ratio (DCR)

Expense Coverage Ratio (ECR)

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16	Yr 17	Yr 18
+ Potential Gross Market Income	\$365,616	\$372,928	\$380,387	\$387,995	\$395,755	\$403,670	\$411,743	\$419,978	\$428,377	\$436,945	\$445,684	\$454,598	\$463,689	\$472,963	\$482,423	\$492,071	\$501,912	\$511,951
+ Potential Gross Commercial Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Potential Rent Income Subtotal	\$365,616	\$372,928	\$380,387	\$387,995	\$395,755	\$403,670	\$411,743	\$419,978	\$428,377	\$436,945	\$445,684	\$454,598	\$463,689	\$472,963	\$482,423	\$492,071	\$501,912	\$511,951
Miscellaneous Income																		
Unit Based Other Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Unit Based Other Income	\$6,060	\$6,181	\$6,305	\$6,431	\$6,560	\$6,691	\$6,825	\$6,961	\$7,100	\$7,242	\$7,387	\$7,535	\$7,686	\$7,839	\$7,996	\$8,156	\$8,319	\$8,485
+ Total Miscellaneous Income	\$6,060	\$6,181	\$6,305	\$6,431	\$6,560	\$6,691	\$6,825	\$6,961	\$7,100	\$7,242	\$7,387	\$7,535	\$7,686	\$7,839	\$7,996	\$8,156	\$8,319	\$8,485
= Gross Revenues	\$371,676	\$379,110	\$386,692	\$394,426	\$402,314	\$410,360	\$418,568	\$426,939	\$435,478	\$444,187	\$453,071	\$462,132	\$471,375	\$480,803	\$490,419	\$500,227	\$510,231	\$520,436
- Vacancy Market	-\$26,017	-\$26,538	-\$27,068	-\$27,610	-\$28,162	-\$28,725	-\$29,300	-\$29,886	-\$30,483	-\$31,093	-\$31,715	-\$32,349	-\$32,996	-\$33,656	-\$34,329	-\$35,016	-\$35,716	-\$36,431
- Vacancy Commercial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
= Vacancy Subtotal	-\$26,017	-\$26,538	-\$27,068	-\$27,610	-\$28,162	-\$28,725	-\$29,300	-\$29,886	-\$30,483	-\$31,093	-\$31,715	-\$32,349	-\$32,996	-\$33,656	-\$34,329	-\$35,016	-\$35,716	-\$36,431
= Effective Gross Income	\$345,659	\$352,572	\$359,623	\$366,816	\$374,152	\$381,635	\$389,268	\$397,053	\$404,994	\$413,094	\$421,356	\$429,783	\$438,379	\$447,146	\$456,089	\$465,211	\$474,515	\$484,006
- Operating Expenses (not incl RE Tax)	-\$251,489	-\$259,033	-\$266,804	-\$274,808	-\$283,053	-\$291,544	-\$300,290	-\$309,299	-\$318,578	-\$328,135	-\$337,980	-\$348,119	-\$358,563	-\$369,319	-\$380,399	-\$391,811	-\$403,565	-\$415,672
- RE Tax - City Bailey Bill - 20 years (2 during const) then 3%	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159	-\$1,159
- RE Tax - County/Sch Bailey Bill - 10 years (2 during const) then 3%	-\$3,407	-\$3,407	-\$3,407	-\$3,407	-\$3,407	-\$3,407	-\$3,407	-\$3,407	-\$3,407	-\$4,729	-\$4,871	-\$5,017	-\$5,168	-\$5,323	-\$5,482	-\$5,647	-\$5,816	-\$5,991
- Bus.PP Tax trends at 3%	-\$583	-\$600	-\$619	-\$637	-\$656	-\$676	-\$696	-\$717	-\$739	-\$761	-\$784	-\$807	-\$831	-\$856	-\$882	-\$908	-\$936	-\$964
- Replacement Reserves	-\$13,300	-\$13,566	-\$13,837	-\$14,114	-\$14,398	-\$14,684	-\$14,978	-\$15,278	-\$15,583	-\$15,895	-\$16,213	-\$16,537	-\$16,868	-\$17,205	-\$17,549	-\$17,900	-\$18,258	-\$18,623
= Net Operating Income	Yr 1 per unit: \$1,993	\$75,721	\$74,806	\$73,797	\$72,690	\$71,481	\$70,164	\$68,737	\$67,193	\$64,206	\$62,273	\$60,204	\$57,994	\$55,636	\$53,124	\$50,454	\$47,617	\$44,607
- Debt Service																		
Centrant		-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791
Debt Service Subtotal		-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791
= Net Cash Flow	Yr 1 per unit: \$1,077	\$40,930	\$40,015	\$39,006	\$37,899	\$36,690	\$35,373	\$33,946	\$32,402	\$29,415	\$27,482	\$25,413	\$23,203	\$20,845	\$18,334	\$15,663	\$12,826	\$9,816
Debt Coverage Ratio (DCR)		2.18%	2.15%	2.12%	2.09%	2.05%	2.02%	1.98%	1.93%	1.85%	1.79%	1.73%	1.67%	1.60%	1.53%	1.45%	1.37%	1.28%
Expense Coverage Ratio (ECR)		1.31%	1.29%	1.28%	1.27%	1.26%	1.25%	1.23%	1.22%	1.21%	1.20%	1.19%	1.18%	1.17%	1.16%	1.15%	1.14%	1.12%

Old Wright School
Abbeville, SC
May 6, 2026

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Debt Service Subtotal

= Net Cash Flow

Debt Coverage Ratio (DCR)

Expense Coverage Ratio (ECR)

Yr 19	Yr 20	Yr 21	Yr 22	Yr 23	Yr 24	Yr 25	Yr 26	Yr 27	Yr 28	Yr 29	Yr 30
\$522,190	\$532,633	\$543,286	\$554,152	\$565,235	\$576,540	\$588,070	\$599,832	\$611,828	\$624,065	\$636,546	\$649,277
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$522,190	\$532,633	\$543,286	\$554,152	\$565,235	\$576,540	\$588,070	\$599,832	\$611,828	\$624,065	\$636,546	\$649,277
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$8,655	\$8,828	\$9,005	\$9,185	\$9,369	\$9,556	\$9,747	\$9,942	\$10,141	\$10,344	\$10,551	\$10,762
\$8,655	\$8,828	\$9,005	\$9,185	\$9,369	\$9,556	\$9,747	\$9,942	\$10,141	\$10,344	\$10,551	\$10,762
\$530,845	\$541,462	\$552,291	\$563,337	\$574,604	\$586,096	\$597,818	\$609,774	\$621,969	\$634,409	\$647,097	\$660,039
-\$37,159	-\$37,902	-\$38,660	-\$39,434	-\$40,222	-\$41,027	-\$41,847	-\$42,684	-\$43,538	-\$44,409	-\$45,297	-\$46,203
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
-\$37,159	-\$37,902	-\$38,660	-\$39,434	-\$40,222	-\$41,027	-\$41,847	-\$42,684	-\$43,538	-\$44,409	-\$45,297	-\$46,203
\$493,686	\$503,559	\$513,631	\$523,903	\$534,381	\$545,069	\$555,970	\$567,090	\$578,431	\$590,000	\$601,800	\$613,836
-\$428,142	-\$440,987	-\$454,216	-\$467,843	-\$481,878	-\$496,334	-\$511,224	-\$526,561	-\$542,358	-\$558,629	-\$575,388	-\$592,649
-\$1,016	-\$1,046	-\$1,078	-\$1,110	-\$1,144	-\$1,178	-\$1,213	-\$1,250	-\$1,287	-\$1,326	-\$1,365	-\$1,406
-\$6,355	-\$6,546	-\$6,742	-\$6,945	-\$7,153	-\$7,368	-\$7,589	-\$7,816	-\$8,051	-\$8,292	-\$8,541	-\$8,797
-\$993	-\$1,022	-\$1,053	-\$1,085	-\$1,117	-\$1,151	-\$1,185	-\$1,221	-\$1,257	-\$1,295	-\$1,334	-\$1,374
-\$18,996	-\$19,376	-\$19,763	-\$20,158	-\$20,562	-\$20,973	-\$21,392	-\$21,820	-\$22,256	-\$22,702	-\$23,156	-\$23,619
Yr 1 per unit: \$1,993	\$38,184	\$34,582	\$30,778	\$26,763	\$22,528	\$18,066	\$13,367	\$8,422	\$3,222	-\$2,243	-\$7,983
-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791
-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791	-\$34,791
Yr 1 per unit: \$1,077	\$3,393	-\$209	-\$4,013	-\$8,028	-\$12,263	-\$16,725	-\$21,424	-\$26,369	-\$31,569	-\$37,034	-\$42,774
1.10%	0.99%	0.88%	0.77%	0.65%	0.52%	0.38%	0.24%	0.09%	-0.06%	-0.23%	-0.40%
1.10%	1.09%	1.08%	1.07%	1.06%	1.05%	1.04%	1.03%	1.02%	1.01%	1.01%	1.00%