



May 12, 2026

Mr. David Morrow
Ridgecrest Commons Housing, LLLP
809 22nd Avenue
Tuscaloosa, AL 35401

Re: **Ridgecrest Commons**
Conway, SC

Dear Mr. Browder:

We at Regions Affordable Housing, LLC (“RAH”) are pleased to present the following outline of basic business terms set forth in this term sheet pursuant to which RAH will provide equity capital for the purchase of an Investor Limited Partner interest in Ridgecrest Commons Housing, LLLP., an Alabama Limited Liability Limited Partnership (the “Company”). RAH or an assignee (the “Investor Limited Partner”) will acquire a 99.98% limited partner, Investor Limited Partner interest, and Sterling Corporate Services LLC (the “Special Investor Limited Partner”), will retain a 0.01% Special Investor Limited Partner interest in the Company. The basic business terms outlined herein will be incorporated into a letter of intent and amended and restated limited partnership agreement (the “Amended LPA”).

Project	Ridgecrest Commons Conway, SC
Company	Ridgecrest Commons Housing, LLLP., an Alabama limited liability limited partnership
General Partner	Ridgecrest Commons GP, LLC, an Alabama limited liability company
Developer	WDM, LLC
Guarantor(s)	David Morrow and WDM, LLC

Timing Assumptions	
Benchmark	Date
Initial Closing/Construction Start	6-1-2028
Construction Completions/Placed-In-Service	12-1-2029
Final Closing/Permanent Loan Conversion	4-1-2030
8609	8-1-2030

Loan	Lender	Amount	Term	Interest Rate
Construction Loan	FNB Oxford Bank	\$1,000,000	24 months	7.00%
Bridge Loan	Regions Bank	\$13,339,000	30 months	7.00%
Permanent Loan #1	FNB Oxford Bank	\$500,000	20 years	Long term monthly AFR

	Federal Credits	State Credits	
Anticipated Annual Credit Allocation	\$1,450,000	\$1,335,572	
Anticipated Amount of LIHTC to be Purchased	\$14,500,000	13,355,720	
	Federal Price Per Credit	Equity Contribution	Federal Price Per Credit
Federal LIHTC Equity	\$0.78	\$11,307,738	\$0.45
Anticipated Total Equity Contribution		\$11,307,738	
			Equity Contribution
			\$6,098,854
			\$6,098,854

Capital Contributions	Percent of Equity	Federal Equity Amount	State Equity Amount
Initial Closing (total equity to be paid prior to Completion)	10.00%	\$1,130,774	\$609,885
100% Construction Completion	65.00%	\$7,350,029	\$3,964,255
Final Closing including achievement of a) 100% Tax Credit Eligible Occupancy; b) three months of 1.15X DSC; and permanent loan closing.	20.00%	\$2,261,548	\$1,219,771
Receipt of IRS Form(s) 8609 and tax return	5.00%	\$582,906	\$287,424
Total	100%	\$11,307,738	\$6,098,854

This term sheet serves as an outline of the basic terms and conditions of the proposed equity investment by RAH, and is subject to (i) the receipt and satisfactory review of all due diligence materials by RAH; and (ii) change or withdrawal, if in RAH's judgement, changes in market conditions and/or investor requirements would adversely affect the transaction. RAH cannot extend a legally binding commitment until formal investment approval has been obtained.

Very truly yours,

REGIONS AFFORDABLE HOUSING, LLC

By: Chase Simpson
Chase Simpson
Vice President