
APPRAISAL OF

THE LOCKHART LANDING SITE
6.276 ACRES OF VACANT LAND
LOCATED AT 465 LOCKHART LANE
GAFFNEY, SOUTH CAROLINA 29341

FOR

MR. ANDY SCHRYVER
SOUTH CREEK DEVELOPMENT, LLC

DATED

APRIL 26, 2026

BY

FRANKLIN B. SEWELL, MAI

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Gold Bug Valuation Services, LLC

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GOLD BUG VALUATION SERVICES, LLC

REAL ESTATE APPRAISAL & CONSULTING

May 13, 2026.

Mr. Andy Schryver
South Creek Development, LLC
528 Johnnie Dodds Blvd., Suite 201
Mt. Pleasant, SC 29464

RE: Appraisal of:

The Lockhart Landing Site
6.276 Acres of Vacant Land
Located at 465 Lockhart Lane
Gaffney, South Carolina 29341

Dear Mr. Schryver:

In accordance with your request, I have inspected the above referenced property located at 465 Lockhart Lane, near the City of Gaffney, Cherokee County, South Carolina, and have made the requisite investigation to estimate the Market Value “As Is” of the fee simple estate of the subject property as of the date of my last visit to the property, April 26, 2026. Market Value and Market Value “As Is” are defined in the attached report.

Based on my investigation, analysis, and conclusions, an opinion has been formed that the Market Value “As Is” of the fee simple estate of subject property, as of the last visit to the property, April 26, 2026, subject to the Extraordinary and General and Underlying Assumptions and General Limiting Conditions (which are incorporated into this letter by reference and which are fully set forth in the attached report), was:

SIX HUNDRED NINETY THOUSAND DOLLARS
\$690,000

The final estimate of value does not contain the value of any personal property or intangible items.

I have attempted to prepare this appraisal report in conformity with the Uniform Standards of Professional Appraisal Practice and Code of Professional Ethics of the Appraisal Institute. The appraisal report also meets the Uniform Standards of Professional Practice (USPAP) developed by The Appraisal Standards Board of The Appraisal Foundation. The appraisal report has been prepared in compliance with FIRREA Title XI, 12 CFR Part 34 (RTC).

Mr. Andy Schryver
May 13, 2026.
Page Two

The compensation for this report is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event. The appraisal assignment is not based on a requested minimum valuation, a specific valuation, or the approval of a loan. I hereby certify that I have no interest in the subject property.

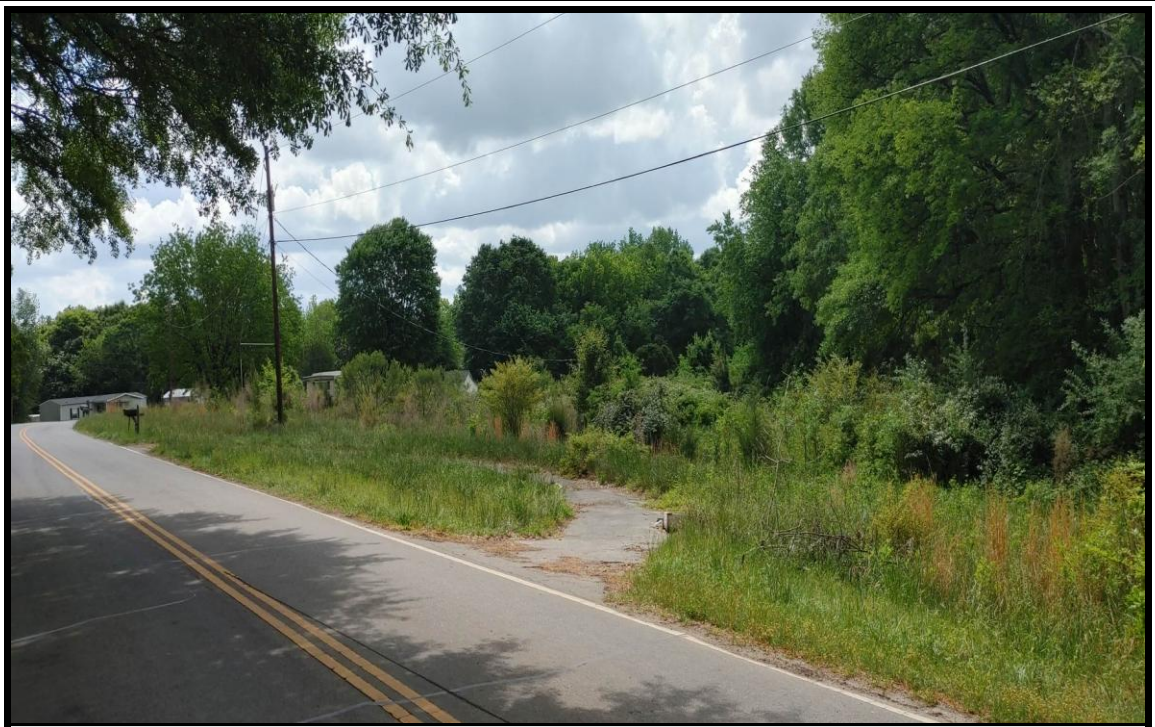
Respectfully submitted,

Handwritten signature of Franklin B. Sewell, MAI in blue ink.

Digitally signed by Franklin B.
Sewell, MAI
Date: 2026.05.13 18:04:23
-04'00'

Franklin B. Sewell, MAI
SC State Certified General
Real Estate Appraiser CG-2877
NC State Certified General
Real Estate Appraiser A8089

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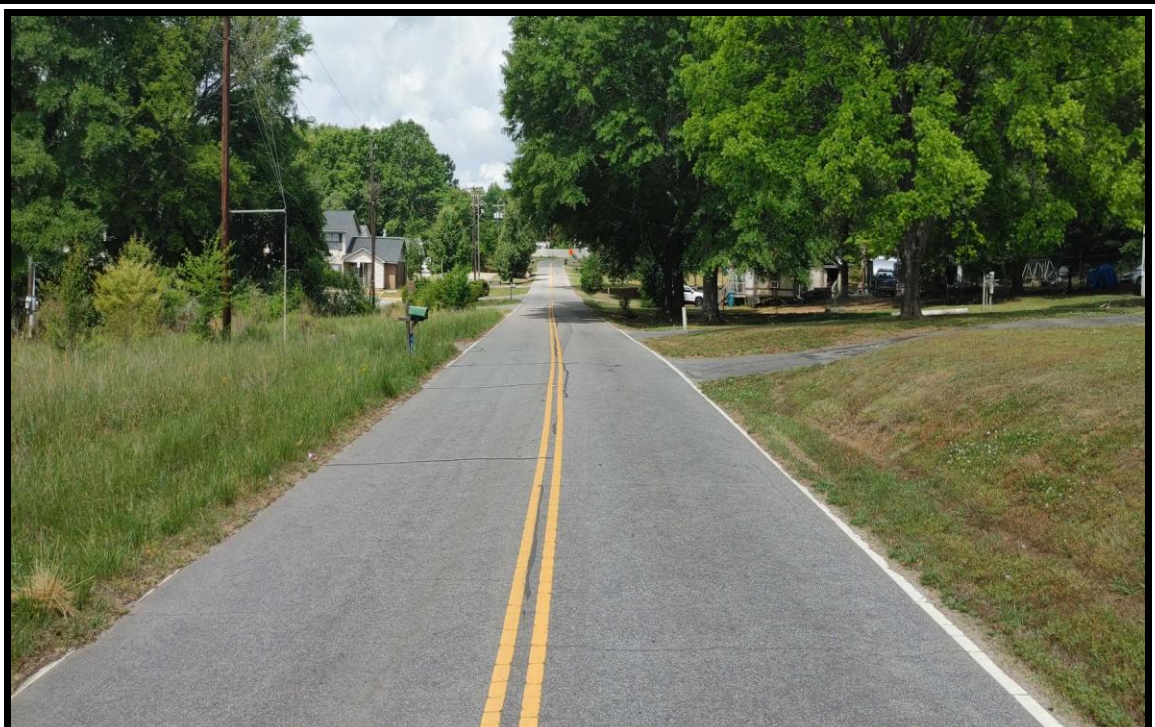
SUBJECT PROPERTY FROM LOCKHART LANE



SUBJECT PROPERTY INTERIOR



LOCKHART LANE STREET FACING SOUTHEAST



LOCKHART LANE FACING NORTHWEST

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CERTIFICATION

I hereby certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
 - The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
 - I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the properties involved.
 - I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
 - The engagement in this assignment was not contingent upon developing or reporting predetermined results.
 - The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this report.
 - The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
 - Franklin B. Sewell, MAI made a personal visit to the property that is the subject of this report.
 - No one provided significant real property appraisal assistance to the person signing this report.
 - The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
 - As of the date of this report, Franklin B. Sewell, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
 - I previously completed an appraisal of the subject property with an effective date of April 26, 2026 and a report date of May 1, 2026. The attached appraisal was completed to reflect the updated subject site size as shown on a new survey and corresponding Second Amendment to the Purchase and Sale Agreement. I have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this appraisal assignment.
-

Gold Bug Valuation Services, LLC was engaged to appraise the Market Value “As Is” of the fee simple estate of the following real property, as of the date of the last visit to the property, April 26, 2026:

The Lockhart Landing Site
6.276 Acres of Vacant Land
Located at 465 Lockhart Lane
Gaffney, South Carolina

Based on the appraiser’s investigation, analyses, and conclusions, an opinion has been formed that the Market Value “As Is” of the fee simple estate of the subject property, as of April 26, 2026, subject to the Extraordinary and General and Underlying Assumptions and General Limiting Conditions, was:

SIX HUNDRED NINETY THOUSAND DOLLARS
\$690,000

The final estimate of value does not contain the value of any personal property or intangible items.

Franklin B. Sewell, MAI

Digitally signed by Franklin B.
Sewell, MAI
Date: 2026.05.13 18:04:54 -04'00'

Franklin B. Sewell, MAI
SC State Certified General
Real Estate Appraiser CG-2877
NC State Certified General
Real Estate Appraiser A8089

EXTRAORDINARY AND GENERAL AND UNDERLYING ASSUMPTIONS

This appraisal has been made with, and is subject to, the following General Assumptions:

That title to the property is assumed to be good and marketable unless otherwise stated. No responsibility is assumed for the legal descriptions or for any legal matter.

That the definition of value together with other definitions and assumptions on which the analyses of the appraiser is based are set forth in appropriate sections of this report and are a part of these General Assumptions as if included here in their entirety.

That the property is considered to be under responsible ownership and management and free of all liens and encumbrances except as specifically discussed herein.

That the facts, estimates, and opinions furnished the appraiser by others and contained in this report are considered to be from reliable sources and where feasible have been verified. However, no responsibility is assumed for the accuracy of the information. The appraiser reserves the right to modify the value estimates should more reliable or accurate information become available subsequent to delivery of this report.

All engineering and/or surveys are assumed to be correct. The sketches, plot plans, and drawings included in the report are included only to assist the reader in visualizing the property.

It is assumed that there are no hidden or other unapparent conditions in the soil, subsoil, structures, or property which would render them more or less valuable. The appraiser specifically accepts no responsibility for damage by termites, wood borers, or any other wood infesting insects. No responsibility is assumed for such conditions or for engineering or inspection which would be required to discover them.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on or in the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on, in, or near the property. The appraiser, however, is not qualified to detect such substances.

The presence of potentially dangerous or hazardous materials, gasses, or toxic substances may affect the value of the property and in this appraisal the value estimate is predicated on the assumption that there is no such element on, in, or near the property that would cause a loss in value.

No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them.

Good structural and mechanical conditions are assumed to exist and no opinion as to these matters is to be inferred or constructed from the attached report.

It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal report.

It is assumed that all required licenses, certificates of occupancy, legislated or administrative consents from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimated contained in this report is based.

It is assumed that the utilization of the land and/or improvements is within the boundaries or property lines of the property described herein and that there is no encroachment or trespass unless noted within the report.

The Americans with Disabilities Act of 1990 ("ADA") became effective January 26, 1992. The appraiser has not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since the appraiser has no direct evidence relating to this issue, possible non-compliance with the requirements of the ADA was not considered in estimating the value of the property.

This appraisal is subject to an **extraordinary assumption**. The subject property is currently split zoned, GC, General Commercial District and GR, General Residential District by Cherokee County. In order to obtain public sewer service from the City of Gaffney, the property must be annexed into the City. The client plans to apply for annexation with the proposed development upon a successful tax credit award. According to the developer, the City sent the following in an email on April 27, 2026 regarding the proposed development and annexation, "...thank you for your interest in developing an apartment project in Gaffney. We at the City of Gaffney are very interested in having this project annex into the city limits and welcome the opportunity to discuss the next steps." Considering this statement as well as the current need for affordable housing in Gaffney and for the purpose of this appraisal, I have made the extraordinary assumption that that the subject property is likely to be annexed into the City with a zoning designation of RM, Multifamily Residential District.

GENERAL LIMITING CONDITIONS

This appraisal has been made with, and is subject to, the following General Limiting Conditions:

The appraiser, by reason of this appraisal report, is not required to give further consultation, testimony, or to be in attendance in court or at any governmental or other hearing with reference to the property without prior arrangements.

The distribution, if any, of the total valuation in this report between land and improvements, if any, applies only under the stated program of utilization. The separated allocations for land and buildings, if any, must not be used in conjunction with any other appraisal and are invalid if so used.

Use and disclosure of the content of this report are governed by the bylaws and regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially any conclusions as to the value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute to the MAI or SRA designations) shall be disseminated to the general public through advertising or sales media, public relations media, news media, or other public means of communication without the prior written consent of the appraiser.

Possession of this report or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any other person other than the party to whom it is addressed without consent of the appraiser, and in any event, only with properly written qualifications and only in its entirety.

The party for whom this appraisal report was prepared may distribute copies of this appraisal report in its entirety to such third parties as may be selected by the party for whom this appraisal report was prepared. However, portions of this appraisal report shall not be given to third parties without the prior consent of the signatories of this appraisal report.

Additional copies of this appraisal may be obtained for an appropriate fee only with the knowledge and consent of the client.

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property Type:	Vacant Land
Property Location:	465 Lockhart Lane, Gaffney, SC
Parcel Number:	(Portion of) 098-00-00-011.000, 098-00-00-020-00 and 098-00-021.001
County:	Cherokee
Census Tract:	970302
Date of Appraisal:	April 26, 2026
Date of Report:	May 13, 2026.
Property Rights Appraised:	Fee Simple Estate
Owners of Record:	TC Hampshire, LLC
Site Data:	6.276 Acres
Flood Zone:	X; 45021C0157D (September 16, 2011)
Zoning:	See Zoning Section
Highest and Best Use:	Multifamily Development
Market Value "As Is" Estimate:	\$690,000

IDENTIFICATION AND HISTORY

The subject property consists of a 6.276 acre site that is located just outside of the municipal limits of the City of Gaffney, Cherokee County, South Carolina. The subject property can be identified on the Cherokee County Assessor's map as a portion of TMS No. 098-00-00-011.000 and TMS Nos. 098-00-00-020-00 and 098-00-021.001. The property is currently a portion of a +/- 23 acre tract owned by TC Hampshire, LLC, having been obtained from Czar Holdings, LLC on April 25, 2024. The transaction is recorded in Deed Book 171 at page 1301 in the Cherokee County ROD Office.

The subject property is currently under contract to sell to South Creek Development, LLC. The contract is dated February 10, 2026, with a First Amendment dated April 16, 2026 and a Second Amendment dated May 13, 2026. The Second Amendment specified that the exact acreage and boundaries of the subject site would be determined by a new survey. The Second Amendment included the size of the subject site as shown on the newly completed survey and the purchase price was updated to \$669,650, based upon this size and the price per acre agreed upon in the initial agreement. The buyer plans to develop the property with a 60-unit apartment property under the South Carolina State Housing Finance and Development Authority's Low-Income Housing Tax Credit Program. The contract contains contingencies related to the buyer's ability to obtain tax credit allocations, financing, utilities, and authorizations necessary for development of the project.

A tenant owned mobile home is currently located on TMS No. 098-00-00-020-000. The property owner indicated the site is under a short-term lease and that the tenant has been given notice to vacate and remove the mobile home from the site. He stated that if the tenant abandons the mobile home that he will remove it prior to closing.

The subject property was not listed for sale at the time of contract ratification, but is a portion of a larger tract that is available for lease as part of a commercial build-to-suit development. A colleague of South Creek Development, LLC recognized that the location would be attractive as a multifamily site and referred them to the seller, who is also the listing agent. The purchase price for a +/- 6.0 acre portion of the larger site was then negotiated. A copy of the referenced deed and contract can be found in the Addenda as Addendums A. Copies of the PSA and Amendments are included in the Addenda as Addendum B.

SUBJECT TAX MAP



OWNER OF RECORD

The subject property is currently owned by TC Hampshire, LLC.

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the Market Value “As Is” of the fee simple estate of the subject property.

INTENDED USE OF THE APPRAISAL

The intended use of this appraisal is to aid in application to the South Carolina State Housing Finance and Development Authority for the Low-Income Housing Tax Credit Program.

CLIENT AND INTENDED USER OF THE APPRAISAL

The client and intended user of this appraisal is South Creek Development, LLC, for the stated intended use. The South Carolina State Housing Finance and Development Authority is also considered an intended user of the appraisal and the Authority may rely on the representations made herein. The Authority reserves the right to convey a copy of the appraisal to third parties, assigns and pertinent parties involved in the contemplated allocation of tax credits.

PROPERTY RIGHTS APPRAISED

The subject property is appraised in the fee simple estate which is “Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”¹

DATE OF THE VALUE ESTIMATE

April 26, 2026

DATE OF REPORT

May 13, 2026.

¹ Appraisal Institute, *The Appraisal of Real Estate*, 13th ed., p. 114.

DEFINITIONS OF VALUE

Market Value: as defined by The Office of the Comptroller of the Currency, FDIC Rules and Regulations 12 C.F.R. Part 323.2 Definitions (g), is:

The most probable price which a property would bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specific date and the passing of title from seller to buyer under conditions whereby:

1. *Buyer and seller are typically motivated;*
2. *Both parties are well informed or well advised, and acting in what they consider their own best interests;*
3. *A reasonable time is allowed for exposure in the open market;*
4. *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
5. *The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by anyone associated with the sale.*

Market Value “As Is” on Appraisal Date: An estimate of the Market Value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date of inspection.²

² Appraisal Institute, *The Appraisal of Real Estate*, 13th ed., p. 114.

SCOPE OF THE APPRAISAL

The appraisal problem is to estimate the Market Value “As Is” of the fee simple estate of the subject property located at 465 Lockhart Lane, near the City of Gaffney, Cherokee County, South Carolina, as of the date of the last visit to the property, April 26, 2026. Franklin B. Sewell, MAI made a personal visit to the subject property.

To estimate this value, I have completed the appraisal process which includes the collection, confirmation, analysis, and reporting of market data between the dates of March 18, 2024 and May 13, 2026.. The geographical area studied was defined in the Region Analysis section of this report. The data was collected from various sources as follows:

- A physical visit to the subject property
- Recorded plats and deeds found in various county RMC and ROD offices.
- Local professionals involved in the sale of properties similar to the subject property
- Employees and publications of state and local government agencies (tax assessors, zoning officials, Chamber of Commerce, and so on)
- Data services such as Crexi, SC Commercial MLS, Compstak, and Loopnet.

This information has been confirmed when possible and analyzed to derive area and neighborhood trends in land values, absorption rates, growth rates, and so on. A Market Value “As Is” indication for the subject property was reached using this data in a direct sales comparison approach to value in this report.

REGION ANALYSIS

Location

The subject property is located near the City of Gaffney, Cherokee County, SC. Cherokee County is located in the northern portion of the state and borders North Carolina. The county has a land area of 397 square miles. Cherokee County is bounded to the North by North Carolina, to the east by York County, to the south by Union County, and to the west by Spartanburg County.

Cherokee County is part of the Greenville-Spartanburg-Anderson CSA, the largest Combined Statistical Area (CSA) in the state. This CSA includes all counties in the Upstate except for Abbeville County. The CSA is made up of Greenville, Spartanburg, Anderson, Pickens Oconee, Greenwood, Laurens, Cherokee, and Union Counties. The Greenville–Spartanburg–Anderson CSA was first defined by the Office of Management and Budget in 2015. In 2018, the OMB redefined the CSA such that it no longer included Abbeville County. Within the CSA are a total of two Metropolitan Statistical Areas and four Micropolitan Statistical Areas. Cherokee County is located in a seven-county area known as the “I-85 Business Belt.” Thirteen chambers of commerce have combined to promote economic development in the region. The Business Belt includes (alphabetically): Anderson, Cherokee, Greenville, Laurens, Oconee, Pickens, and Spartanburg Counties.

The Greenville-Spartanburg-Anderson CSA should be considered as one entity for this analysis. In analyzing the area, the four basic factors or forces that influence value are social, economic, government, and environmental considerations. These factors are all highly interrelated.

History

Cherokee County was established in 1897 from parts of neighboring counties including York, Union and Spartanburg Counties. It was named after the Cherokee Indians who once inhabited the area. The Battle of Cowpens, an important victory for the revolutionary forces in the Revolutionary War, was fought in the area in January of 1781. Iron mining was an important activity in this region until the Civil War.

Climate

The State of South Carolina is located in what is known as the “sunbelt” region of the country due to its moderate climate. The average temperature in Cherokee County is 59 degrees, which is slightly lower than the state average.

Population

The CSA has experienced significant recent growth, with its population increasing by approximately 21.8% between 2010 and 2025. While the broader Upstate region has seen robust expansion, Cherokee County has maintained a more modest, stable growth trajectory. The population of Cherokee County was estimated at 58,275 in 2025, representing a 4.9% increase from the 2010 census count of 55,534, reflecting a consistent, albeit gradual, upward trend in the local population. However, the area should see future growth as the population radiates outward from Greenville and Spartanburg as Upstate residents seek a more affordable alternative. In response to increasing demand, over 1,000 new single-family lots are currently being developed in the City of Gaffney with an additional 1,500 proposed.

POPULATION GROWTH 1990-2023

POPULATION	1990	2000	2010	2020	2025
CHEROKEE COUNTY	44,506	52,649	55,534	57,316	58,275
UPSTATE CSA	1,036,053	1,194,375	1,336,656	1,511,905	1,659,022

Source: US Census Bureau

Government

Public services and utilities are available and adequate in most of the subject region. The taxes in the region and in the incorporated areas are considered to be reasonable in comparison with similar areas offering the same services.

Public services and utilities are available and adequate in most of the subject region. The taxes in the region and in the incorporated areas are considered to be reasonable in comparison with similar areas offering the same services.

Education

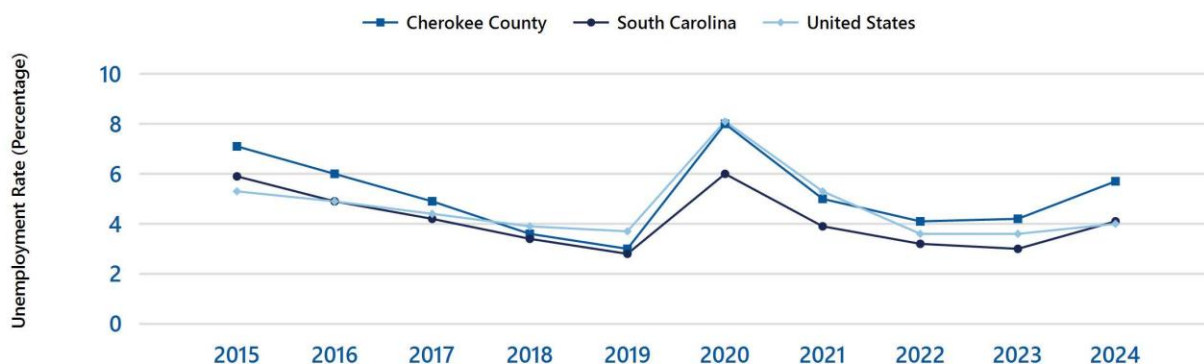
The Cherokee School District consists of twelve elementary, four junior high and two high schools. There are several private elementary and secondary schools in the area. Institutions of higher education located in the area include Limestone College and Spartanburg Community College (Cherokee County Campus).

Economic Profile

Prior to a spike in unemployment during the pandemic, the unemployment rate in Cherokee County had dropped for seven consecutive years. The rate has since dropped back to pre-pandemic levels; however, there has been slight rise over the past two years.

The county's unemployment rate was reported at 6.7% in February 2026. South Carolina's unemployment rate was 5.4% in February 2024 and nationally, the unemployment rate was 4.7%.

ANNUAL UNEMPLOYMENT RATE



CHEROKEE COUNTY

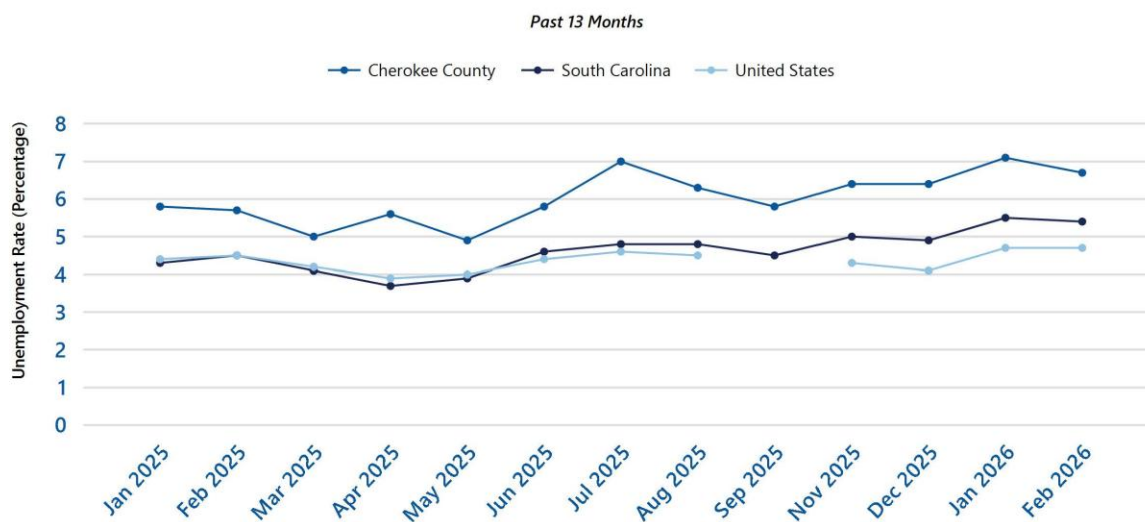
SOUTH CAROLINA

UNITED STATES

Year	Employment	Unemp.	Rate	Employment	Unemp.	Rate	Employment	Unemp.	Rate
2024	21,746	1,306	5.7%	2,457,287	105,328	4.1%	161,346,000	6,761,000	4.0%
2023	22,284	966	4.2%	2,420,636	74,521	3.0%	161,037,000	6,080,000	3.6%
2022	22,728	968	4.1%	2,344,834	77,513	3.2%	158,291,000	5,996,000	3.6%
2021	23,000	1,213	5.0%	2,279,261	93,057	3.9%	152,581,000	8,623,000	5.3%
2020	22,347	1,939	8.0%	2,201,090	140,613	6.0%	147,795,000	12,947,000	8.1%
2019	23,355	724	3.0%	2,263,682	64,405	2.8%	157,538,000	6,001,000	3.7%
2018	23,044	867	3.6%	2,206,821	76,542	3.4%	155,761,000	6,314,000	3.9%
2017	21,666	1,128	4.9%	2,168,104	94,845	4.2%	153,337,000	6,982,000	4.4%
2016	21,280	1,349	6.0%	2,145,584	110,199	4.9%	151,436,000	7,751,000	4.9%
2015	21,533	1,636	7.1%	2,108,786	132,281	5.9%	148,834,000	8,296,000	5.3%

Source: DEW LMI/BLS - Local Area Unemployment Statistics

MONTHLY UNEMPLOYMENT RATE



Period	CHEROKEE COUNTY	SOUTH CAROLINA	UNITED STATES
Feb 2026	6.7%	5.4%	4.7%
Jan 2026	7.1%	5.5%	4.7%
Dec 2025	6.4%	4.9%	4.1%
Nov 2025	6.4%	5.0%	4.3%
Sep 2025	5.8%	4.5%	%
Aug 2025	6.3%	4.8%	4.5%
Jul 2025	7.0%	4.8%	4.6%
Jun 2025	5.8%	4.6%	4.4%
May 2025	4.9%	3.9%	4.0%
Apr 2025	5.6%	3.7%	3.9%
Mar 2025	5.0%	4.1%	4.2%
Feb 2025	5.7%	4.5%	4.5%
Jan 2025	5.8%	4.3%	4.4%

Source: DEW LMI/BLS - Local Area Unemployment Statistics

The region has two primary sectors generating/supporting the employment base; (1) Manufacturing/Industrial and (2) Wholesale and retail trade. There are two primary factors which influence the location of manufacturing/industrial development in the subject region. The first factor is South Carolina's status as a "right to work" state. This has resulted in a work force with a low percentage of union affiliation. The second factor is the location of the I-85 Business Belt as a regional distribution point. One of the primary considerations to location manufacturing/industrial development is the flexibility of a 360 degree distribution potential. With I-85 functioning as the primary north/south connector for the distribution of manufactured products, the area is seen as a prime location. The arc of distribution is further extended with the connection of the Interstate 385 beltway to Interstate 26, which runs in an east/west direction, connecting to Interstate 40 in Asheville, North Carolina.

Greenville and the surrounding area have long been known as the "Textile Center of the World," with approximately 75% of all textile products produced in the US being manufactured within a 100 mile radius. However, over the past several decades an influx of new, more diversified industry has moved into the area.

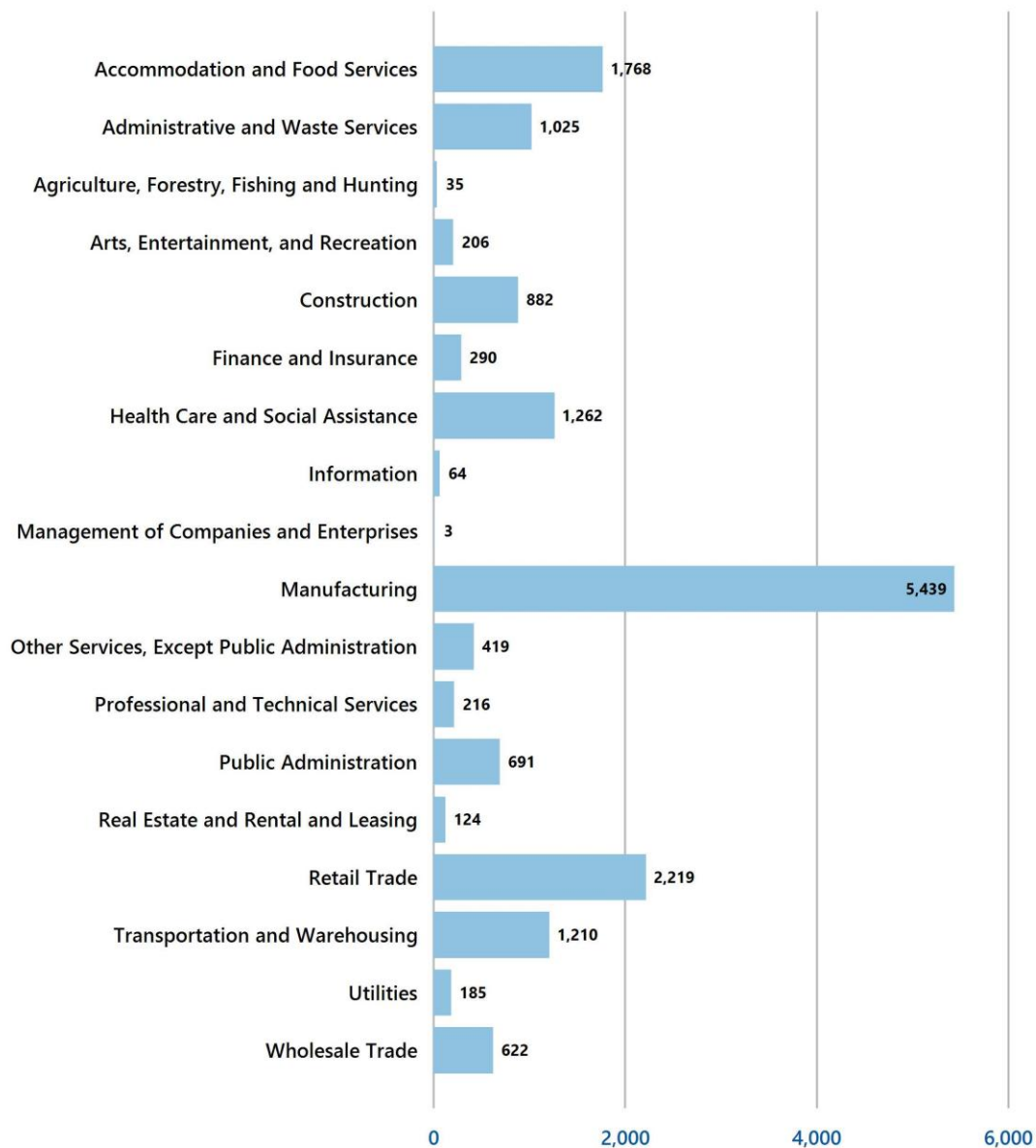
The regional economy benefits from the state-of-the-art BMW automobile manufacturing facility on Highway 101, just off Interstate 85 in Spartanburg County near the Greenville County line. The 1.2 million S.F. plant opened in 1994. Manufacturing began certain types of the 3 Series and with the Z3 roadster. However, a year later when the newer 3 Series platform emerged, BMW decided not to build it at the Spartanburg plant, but instead exclusively manufacture variants of the popular Z3. The plant currently manufactures the X5 SAV and X6 SAC for the world market. As part of an expansion project announced in 2008, the plant added about 1,200,000 square feet of assembly space, and became the home of the next-generation X3 SAV. The facility has become the German automaker's most productive plant worldwide with around 10,000 employees producing the majority of the company's SUVs sold in the U.S. In 2019, the company announced a \$1 billion expansion of the plant, making room for production of its new X7 model. A new training center was recently completed on the BMW campus.

The presence of BMW, Michelin, Bosch, and other major automotive and machinery manufacturers has attracted automotive parts suppliers to the region. ZF, a German transmission manufacturer, announced 500 new jobs in February 2022, and Huvis Indorama Advanced Materials announced it would add 50 new jobs at its current facility. Clemson University and its engineering school have developed automotive research capabilities, including the International Center for Automotive Research (ICAR). E+I Engineering, which develops electrical switchgear equipment, announced a 200-job expansion in April 2021 at its operations in Anderson County. In December 2021, electric busmaker Proterra announced an expansion of its Carolina Commerce Center production facility with the addition of a 327,000-S.F. battery plant.

Cherokee County is home to dozens of companies from small family-owned companies to large corporation such as Nestle, Freightliner, and Milliken. Manufacturing remains the top industry in Cherokee County, employing more than 5,782 residents. Green Tech Solution, Inc. recently located new recycling operations in Cherokee County. The company's \$75 million investment is projected to create approximately 200 new jobs.

Glenstar, a national commercial real estate developer with a concentration in industrial, recently broke ground on the first phase of a 3.6 million-square-foot industrial park in Gaffney. Developed jointly by Glenstar with its capital partner Creek Lane Capital, the five-building, 290-acre Cherokee Commerce Center 85 (CCC-85) will be located northeast of the intersection of Interstate 85 and Highway 105 and will be Cherokee County's largest-ever industrial park upon completion. The first speculative building (about 550,500 sq ft, expandable up to 1.3 million sq ft) was completed in early 2025 and is now operational, with the full park being built out over multiple phases.

EMPLOYMENT BY INDUSTRY



Source: South Carolina Department of Employment & Workforce QCEW

Following is a list of the 20 largest employers in Cherokee County:

20 LARGEST EMPLOYERS

AMBASSADOR PERSONNEL INC
BOYSEN USA LLC
BRODER BROS CO
Brown Packing Co Inc
CHAMPION FOODS LLC
CHEROKEE COUNTY
CHEROKEE COUNTY SCHOOL DISTRICT #1
CHEROKEE COUNTY SCHOOL DISTRICT 1
CORRELL INSURANCE GROUP INC
DOLLAR TREE DISTRIBUTION INC
FREIGHTLINER CHASSIS CORPORATION
HAMRICK MILLS
HAMRICKS INC
Milliken & Company Magnolia Finishi
NESTLE FOOD COMPANY
PERSONNEL ASSOCIATES INC
Real Time Staffing Services, LLC
THE TIMKEN COMPANY
WAL-MART ASSOCIATES INC
WH Operating Group LP

Source: South Carolina Department of Employment & Workforce QCEW

Note: This list is derived from unemployment insurance accounts and some employers may be duplicated due to variations in their reported name. Also, employers are listed alphabetically, not in rank order.

Income

The US Department of Housing and Urban Development (HUD) recently released updated Area Median Incomes (AMI) for 2023 and in the state of South Carolina AMI has grown in nearly every county in the state, some by percentages in the double digits. The AMI levels highlight county-level demographic and economic trends, and they influence decisions on housing policy and affordable housing initiatives. Cherokee County saw a large increase with a 2023 AMI of \$65,100, representing a 13.61% increase over the 2022 figure of \$57,300. It is emblematic for AMI to rise during a period of economic inflation and a rising AMI is expected in regions and counties experiencing growth. Upticks in AMI in the counties containing and surrounding the state's economic hubs are typical.

With Greenville anchoring the region, growth was expected throughout the Upstate. However, it's notable that growth is concentrated in the southern-central counties, not in Greenville or Spartanburg themselves. Abbeville, Cherokee, Laurens, McCormick, and Greenwood Counties all saw double-digit growth, with Greenwood at the top of the list. This uneven growth may be a bit of a catch-up effect: Greenville and Spartanburg Counties have seen ongoing growth, while their surrounding counties may be catching up more rapidly as that growth radiates outward as Upstate residents are looking for a more affordable alternative to Greenville and Spartanburg.

Transportation

Interstate 85 is considered by many to be the “lifeline” of Cherokee County. This roadway runs through the city limits of Gaffney and has contributed to much of the growth along Floyd Baker Blvd., which is the county's main thoroughfare. The majority of the county's growth has occurred along I-85. US Highway 29 parallels I-85 and serves as the major roadway in the downtown area of Gaffney. Other state highways serving the county include SC Highways 11, 150, 18 and 5.

There are no airports in county limits, so Cherokee County is served by the Charlotte/Douglas International Airport and the Greenville-Spartanburg International Airport. Feasibility studies have determined a need for an airport to serve the county, and a major economic feasibility study is currently underway to determine if the needed funds will be obtained from the federal government.

Recreational & Cultural

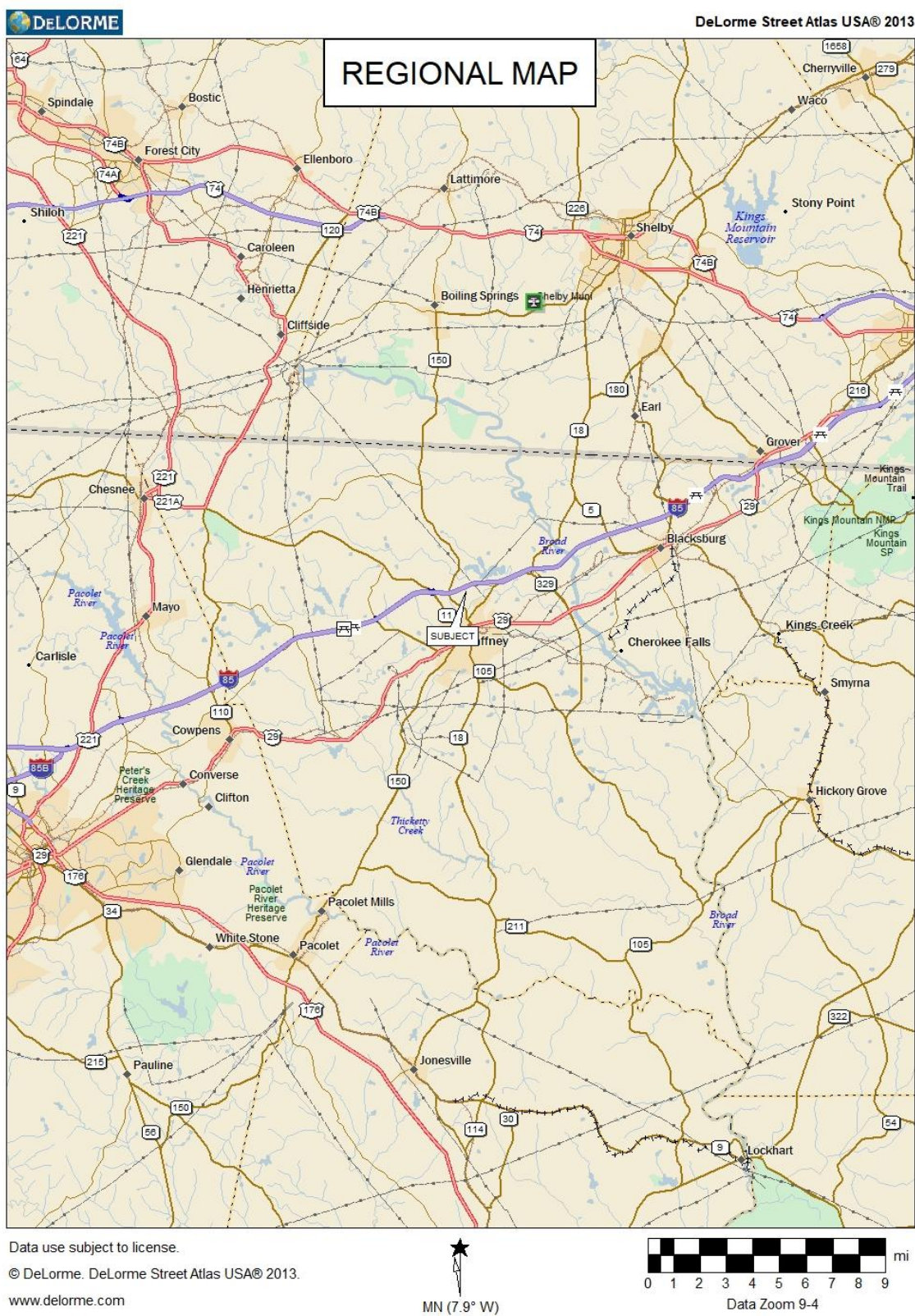
There are three national parks within the boundaries of Cherokee County: The Overmountain Victory Historic Trail, Kings Mountain National Military Park and Cowpens National Battlefield. There are several historic homes throughout the county, some of which offer annual tours. Gaffney Little Theatre and Limestone College provide entertainment for theater enthusiasts in the area.

The major shopping center in the area is Prime Outlets – Gaffney, which is reported to attract almost 3,000,000 visitors per year. One of the fastest growing Commercial areas in the county is Floyd Baker Boulevard, which is the main thoroughfare in Gaffney. This roadway enjoys a traffic count of almost 40,000 cars per day and is where many of the stores and restaurants in the area are located. The Cherokee County History and Arts Museum is a popular attraction. The museum showcases the county's history, contributions to the arts and culture in the southeast, etc.

U.S. Secretary of Commerce Gina M. Raimondo recently announced that the Department's Economic Development Administration (EDA) is awarding a \$3.3 million grant to the City of Gaffney to create a new Revolutionary War Discovery Center and revitalize the local tourism industry. This grant is funded by the American Rescue Plan. This project will boost the local tourism industry by bringing new visitors to the city, its businesses, and attractions. This EDA grant will be matched with \$2 million in local funds.

Summary

The Cherokee County Region is located in the northern portion of the state and borders North Carolina. The county has a population of over 56,000 and has a good deal of rural land. The population appears to be somewhat stable with modest gains in recent decades. A positive sign for the local economy is the ongoing construction of a new 3.6 million S.F. industrial park in Gaffney. The area should see future growth as the population radiates outward from Greenville and Spartanburg as Upstate residents seek a more affordable alternative. This is evidenced by a significant number of new homes in the pipeline for the Gaffney area. The four basic factors that influence value: social, economic, government, and environmental considerations, appear to be well balanced in Cherokee County.



CITY AND NEIGHBORHOOD ANALYSIS

The subject property is located at 465 Lockhart Lane, just outside the municipal limits of the City of Gaffney, Cherokee County, South Carolina. Lockhart Lane is a two-lane, asphalt paved right-of-way, without curb and gutter, sidewalks, or streetlights. The site is located about 500 L.F. south of I-85, roughly an equal distance between two I-85 interchanges. Exit 92 is located about a 1.7 mile drive to the west and exit 95 is located approximately 1.7 miles to the east.

The general subject neighborhood is considered to be the City of Gaffney. Gaffney is the largest city in Cherokee County and is the county seat. The area became known as Gaffney City in 1872 and was named after Michael A. Gaffney, an Irish immigrant who established a tavern and lodging house at what would become known as Gaffney's Crossroads. Gaffney is known as the "Peach Capital of South Carolina". In 1872, the area became known as "Gaffney City". Gaffney became the county seat when Cherokee County was formed out of parts of York, Union, and Spartanburg counties in 1897. In the 20th century, Gaffney became a major center for the textile industry in South Carolina, which was the backbone of the county's economy up until the 1980s. With the decline of the textile industry, Gaffney has seen little population growth in recent decades. The 2025 population of Gaffney was estimated at 12,614, down slightly from the 2020 population of 12,731 and up slightly from the 2010 population of 12,574.

A new 766-lot subdivision is currently being developed at Nancy Creek Road and Hyatt Street. The new development is located behind the Gaffney Outlet Marketplace adjacent to Interstate 85, which has been a popular destination for shoppers since opening in 1998. Gaffney City Council voted to annex the property in 2021. Gaffney Mayor Randy Moss indicated that it's the largest development approved for Gaffney in 50 years and stated "We are expecting housing growth to continue and things have taken off tremendously in the last year with interest from developers." D.R. Horton will build the new subdivision on 241 acres. The city recently annexed another property at Twin Lake Road and Overbrook Drive for a 365-home subdivision at the site. In 2024, Gaffney city administrator James Taylor indicated that "We are having inquiries from a couple of other developers about (potential) projects and seeing a lot of development activity at this point and time. We are anticipating tremendous growth over the next couple of years." A large senior housing development recently received preliminary approval. At its April 14, 2026 meeting, the Gaffney City Council voted 4-3 to annex about 566 acres off Northgate Road, just north of downtown Gaffney. The proposal is for roughly 1,500 age-restricted homes for residents 55 and older, including single-family homes and duplex-style housing. The council action was limited to the first reading, so the project still must return for a second and final reading before the annexation is complete. Community reaction has been mixed, with some opposition focused on growth and infrastructure concerns.

The immediate subject neighborhood is considered to be the northeastern portion of Gaffney and the area located in proximity to the municipal limits. This area can be defined as being bordered by West Floyd Baker Boulevard to the west and southwest, Interstate Highway 85 to the north, and North Limestone street to the east and southeast. This area contains a mixture of residential, institutional, commercial, and religious uses. Most commercial uses are located along West Floyd Baker Boulevard, North Limestone Street or the I-85 frontage road.

Cherokee Medical Center at 1530 N Limestone Steet is located 1.2 miles southeast of the subject site and provides comprehensive acute care including ER, surgery, and orthopedics. Nearby grocery stores included Food Lion at 1405 E Fredrick Street (3.5 miles), Ingles Markets at 410 W Third Street (4.2 miles) and Walmart Supercenter at 165 Walton Drive (5 miles). Off of the main thoroughfare are predominately residential uses, including single-family homes, manufactured homes, and apartment properties.

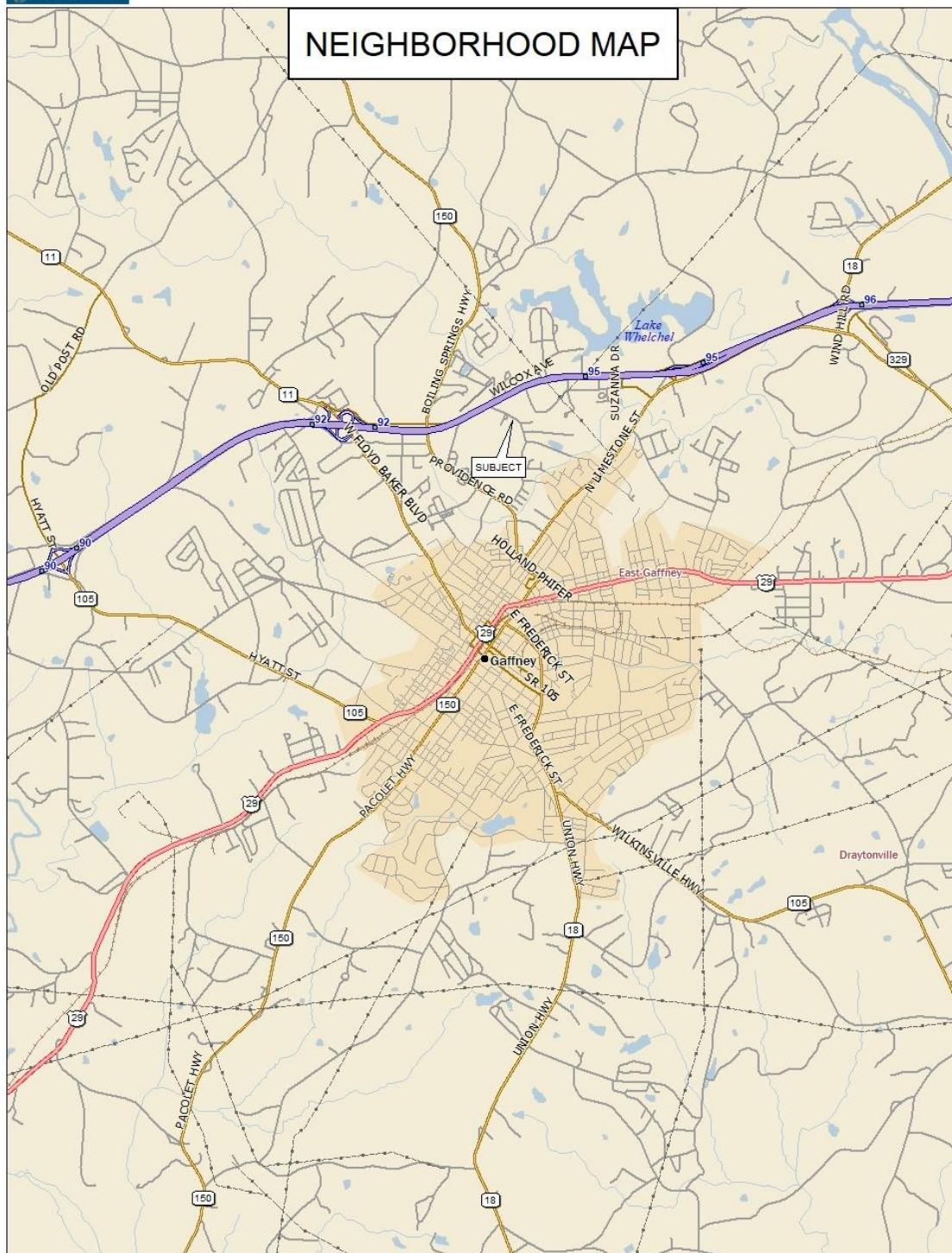
Lockhart Lane Apartments are located on a site adjacent to the subject property This is a 32-unit complex built in 2003 offering standard 1-2 bedroom rentals. Ivy Grove is an assisted living facility located 0.1 mile away on Lockhart Lane. Located about 0.25 mile due west of the subject property is Palmetto Patriots Home, a 104-bed skilled nursing facility. All necessary utilities are available to the subject neighborhood; however, public sewer service is reserved for properties located within City limits. Mortgage rates and the availability of financing in the subject neighborhood are consistent with other areas. The proximity and adequacy of supporting facilities for the labor force are also adequate and typical.

In summary, the subject neighborhood is located in proximity to downtown Gaffney. The subject neighborhood has easy access to employment centers. The proximity to normal desirable facilities and amenities is considered to be good. The neighborhood is experiencing new development and can be considered to be in the growth stage of its life cycle. Overall, values for most property types are considered to be stabilized, with some property types experiencing appreciating values.



DeLorme Street Atlas USA® 2013

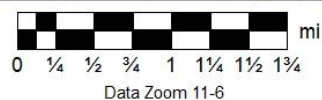
NEIGHBORHOOD MAP



Data use subject to license.

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www.delorme.com



SITE ANALYSIS

The subject property is located at 465 Lockhart Lane, just outside of the municipal limits of the City of Gaffney, Cherokee County, South Carolina. Lockhart Lane is a two-lane, asphalt paved right-of-way, without curb and gutter, sidewalks, or streetlights. The site is located about 500 L.F. south of I-85, roughly an equal distance between two I-85 interchanges. Exit 92 is located about a 1.7 mile drive to the west and exit 95 is located approximately 1.7 miles to the east.

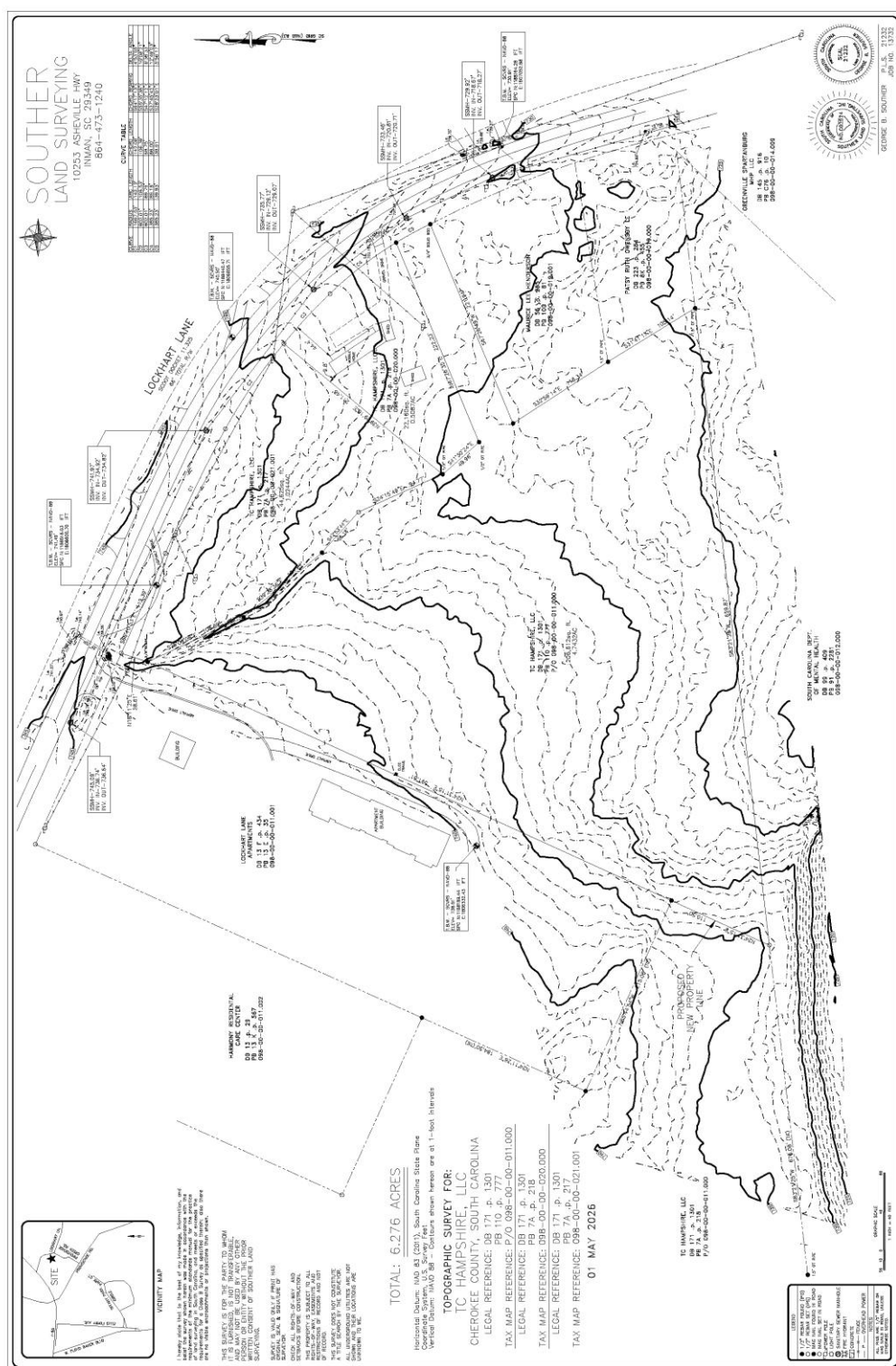
I was provided with a survey of the subject site, prepared by George T. Souther, P.L.S and dated May 1, 2026. It should be noted that the survey is not signed; however, the surveyor's seal is attached and I have utilized the survey for the purpose of this appraisal. The subject site totals 6.276 acres and consists of a 1.0244 acre parcel, a 0.5087 acre parcel and a 4.7432 acre area that is to be subdivided from a larger parcel. Copies of the survey and flood plain map follow in this section.

The survey shows the site to have 552.52' of frontage on Lockhart Lane. The size of the subject tract is within the typical range for vacant tracts in the subject neighborhood. The shape of this tract is irregular, but functional for development with good frontage and access. The subject site appears to be located in an X flood zone, a non-hazard area. The flood zone is shown on FEMA map 45021C0157D, dated September 16, 2011.

The site appears to be basically level and the County GIS topographic map shows the site as being roughly 730' to 740' above MSL. Drainage is assumed to be adequate. There are no wetlands shown on the survey. No information has been provided as to the soils on the subject tracts. An on-site visit did not reveal any adverse soil conditions; however, no responsibility is assumed for any soil or sub-soil conditions. An overhead powerline runs along the frontage of the site and an easement is assumed. The subject property has all necessary utilities available at the site; however, access to public sewer service will require annexation into the City.

A tenant owned mobile home is currently located on TMS No. 098-00-00-020-000. The property owner indicated the site is under a short-term lease and that the tenant has been given notice to vacate and remove the mobile home from the site. He stated that if the tenant abandons the mobile home that he will remove it prior to closing.

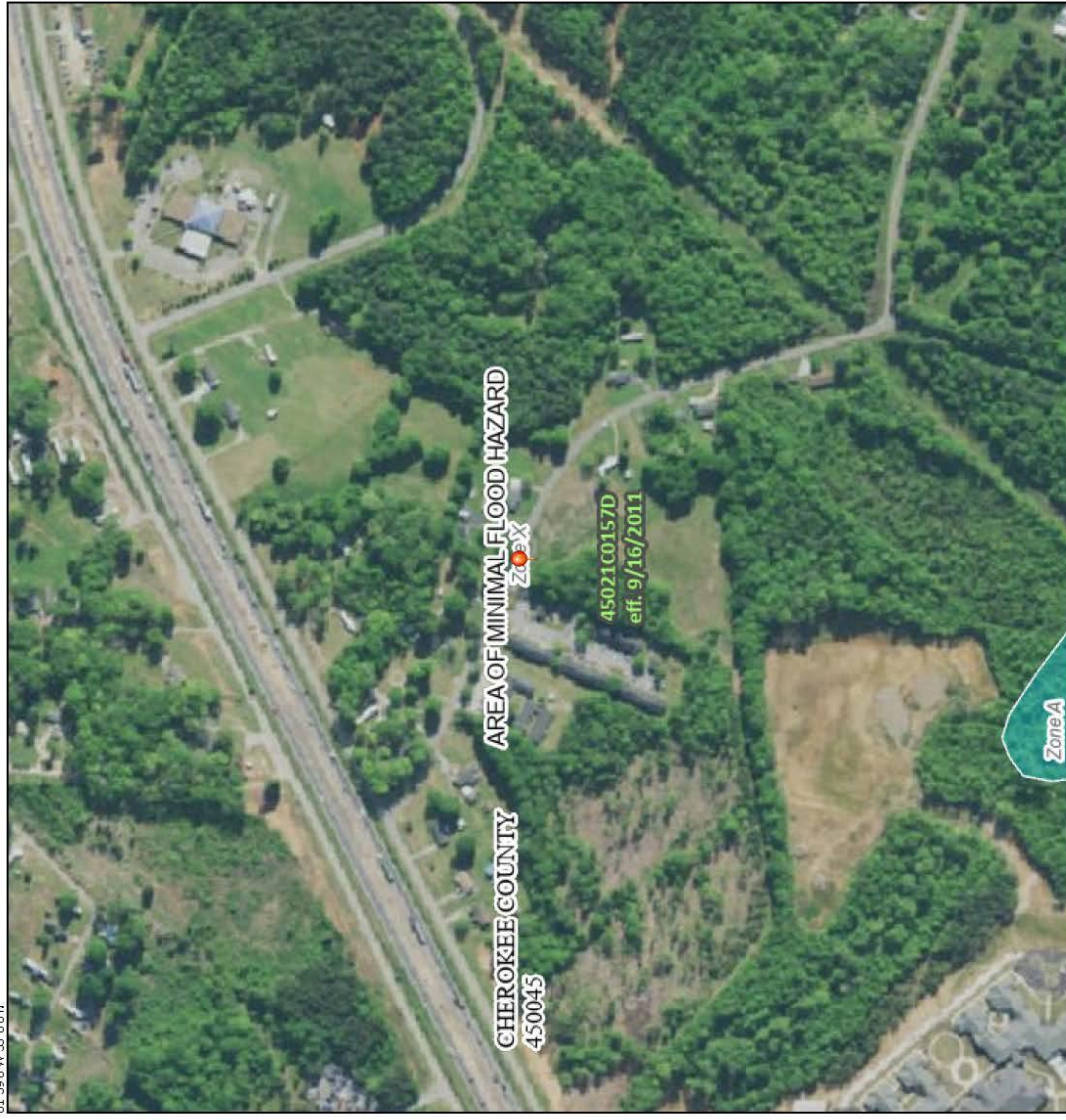
In summary, the subject property consists of a 6.276 acre tract, which is within the typical size range for vacant tracts in the subject neighborhood. The shape of the tract is irregular but is functional for development. Visibility and access are considered to be good. The subject site appears to meet the standards of the typical purchaser in the market.



National Flood Hazard Layer FIRMette



81°30'5"W 35°5'37"N



0 250 500 1,000 1,500 2,000 Feet 1:6,000

Basemap Imagery Source: USGS National Map 2023

Legend

SEE THIS REPORT FOR DETAILED LEGEND AND INDEX/MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE) Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard: Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee: See Notes, Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS

- Area of Minimal Flood Hazard Zone X
- Effective LOMRS
- Area of Undetermined Flood Hazard Zone D

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- Cross Sections with 1% Annual Chance
 - Water Surface Elevation
 - Coastal Transect
 - Base Flood Elevation Line (BFE)
 - Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

- Digital Data Available
- No Digital Data Available
- Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards.

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 4/27/2026 at 4:43 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRW panel number, and FIRW effective date. Map images for unmapped and undetermined areas cannot be used for regulatory purposes.

ASSESSMENT AND TAXES

The subject property is located in Cherokee County. Property valuation and assessment are the responsibility of the Cherokee County Assessor. Under South Carolina Statutes and Constitution, all the property in the State of South Carolina is appraised by the County Assessors at Market Value, and assessed based on a system of classification. Industrial properties falling under certain classifications are appraised by the South Carolina Tax Commission. This system provides that these industrial properties carry a 10.5% ratio of assessment to Market Value.

Commercial properties are appraised at Market Value and assessed at 6% of that value. All other properties, except qualifying primary owner-occupied residences and properties which qualify for agricultural use valuation are assessed at 6% of Market Value. Owner occupied residences may be assessed at 4% upon application. Agricultural properties which qualify for agricultural use valuation are assessed on the basis of 4% or 6% of Use Value depending on the type of ownership.

The subject property's parent parcel is currently appraised by the county tax assessor at a Market Value of \$540,000 and the two other parcels that comprise the subject property are appraised at \$25,000 and \$26,400, respectively, making the total appraised value \$591,400. The combined tracts are assessed at 6% or \$35,480. After applying \$645.22 in local option credits, the 2025 net taxes for these parcels totaled \$12,180.80 and have been paid. The 2025 millage rate for the subject property was 361.5.

Based on South Carolina tax law, properties are appraised at market value upon sale for the year following the sale. Application can be made for a reduction of up to 25% for five years, but this new taxable value may not be less than the fair market value determined by the most recent assessment prior to the sale. If the subject property were to sell for the value estimated in this report of \$690,000, the tax assessor's appraised market value for the newly formed parcel is projected at \$517,500 ($\$690,000 \times 0.75$).

ZONING

The subject property is currently split zoned, GC, General Commercial District and GR, General Residential District by Cherokee County. In order to obtain public sewer service from the City of Gaffney, the property must be annexed into the City with a new zoning designation. The client plans to apply for annexation with the proposed development upon a successful tax credit award. According to the developer, the City sent the following in an email on April 27, 2026 regarding the proposed development and annexation, "...thank you for your interest in developing an apartment project in Gaffney. We at the City of Gaffney are very interested in having this project annex into the city limits and welcome the opportunity to discuss the next steps." Considering this statement as well as the current need for affordable housing in Gaffney and for the purpose of this appraisal, I have made the extraordinary assumption that that the subject property is likely to be annexed into the City with a zoning designation of RM, Multifamily Residential.

According to the City's zoning ordinance, the purpose of the RM District is to promote and accommodate air-space condominiums, apartments, town-house developments and other high-density housing projects in settings designed exclusively for such development. The district is intended for application in areas accessible by major streets, and in proximity to commercial uses, employment opportunities and community facilities.

For residential use, the minimum lot area is 6,000 S.F. for one residential unit, while area requirements for additional units are based upon meeting minimum applicable yard setback requirements, off-street parking requirements, buffering and landscaping requirements. The minimum lot width at the building line is 50 feet. For arterial or collector streets, the minimum front setback is 35 feet. For residential use, the side and rear setbacks are 5 feet for Single-family and Duplex units; 10 feet for buildings with more than two units. A riparian buffer setback not less than 40' or one-third the depth of a lot or parcel, whichever is less, shall be provided along the banks of all lakes, streams and rivers. The buffer area shall remain undeveloped, except for piers, docks, and pervious access paths to the water's edge.

The maximum building height is 50 feet. Maximum allowed density is determined by the number of units that can constructed on site after all off-street parking, buffering, landscaping, and other dimensional requirements have been met. There is no Maximum Impervious Surface Area Ratio within the RM District. The parking requirement varies by use and for apartment use, the requirement is 1.5 spaces per unit. Apartments are listed as a conditional use within this district. Where conditionally permitted, apartments and multi-family housing projects consisting of five or more units are required to meet specific design standards detailed in section 3.5 of the zoning ordinance. The subject property is vacant and, therefore, meets all zoning requirements.

HIGHEST AND BEST USE ANALYSIS

Highest and Best Use may be defined as “the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.”³

Therefore, any use of a property must meet the four tests of being legally permissible, physically possible, financially feasible, and maximally productive.

Legally Permissible: The subject property is currently split zoned, GC, General Commercial District and GR, General Residential District by Cherokee County. In order to obtain public sewer service from the City of Gaffney, the property must be annexed into the City with a new zoning designation. The client plans to apply for annexation with the proposed development upon a successful tax credit award. According to the developer, the City sent the following in an email on April 27, 2026 regarding the proposed development and annexation, “...thank you for your interest in developing an apartment project in Gaffney. We at the City of Gaffney are very interested in having this project annex into the city limits and welcome the opportunity to discuss the next steps.” Considering this statement as well as the current need for affordable housing in Gaffney and for the purpose of this appraisal, I have made the extraordinary assumption that that the subject property is likely to be annexed into the City with a zoning designation of RM, Multifamily Residential District.

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3. Appraisal Institute, *The Appraisal of Real Estate*, 13th ed., p. 278.

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Physically Possible: The subject property is located at 465 Lockhart Lane, just outside of the municipal limits of the City of Gaffney, Cherokee County, South Carolina. Lockhart Lane is a two-lane, asphalt paved right-of-way, without curb and gutter, sidewalks, or streetlights. The site is located about 500 L.F. south of I-85, roughly an equal distance between two I-85 interchanges. Exit 92 is located about a 1.7 mile drive to the west and exit 95 is located approximately 1.7 miles to the east.

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Financially Feasible: Next I will consider financially feasible uses for the subject property. The general subject neighborhood is considered to be the City of Gaffney. Gaffney is the largest city in Cherokee County and is the county seat. The area became known as Gaffney City in 1872 and was named after Michael A. Gaffney, an Irish immigrant who established a tavern and lodging house at what would become known as Gaffney's Crossroads. Gaffney is known as the "Peach Capital of South Carolina". In 1872, the area became known as "Gaffney City". Gaffney became the county seat when Cherokee County was formed out of parts of York, Union, and Spartanburg counties in 1897. In the 20th century, Gaffney became a major center for the textile industry in South Carolina, which was the backbone of the county's economy up until the 1980s. With the decline of the textile industry, Gaffney has seen little population growth in recent decades. The 2025 population of Gaffney was estimated at 12,614, down slightly from the 2020 population of 12,731 and up slightly from the 2010 population of 12,574.

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The immediate subject neighborhood is considered to be the northeastern portion of Gaffney and the area located in proximity to the municipal limits. This area can be defined as being bordered by West Floyd Baker Boulevard to the west and southwest, Interstate Highway 85 to the north, and North Limestone street to the east and southeast. This area contains a mixture of residential, institutional, commercial, and religious uses. Most commercial uses are located along West Floyd Baker Boulevard, North Limestone Street or the I-85 frontage road.

Cherokee Medical Center at 1530 N Limestone Street is located 1.2 miles southeast of the subject site and provides comprehensive acute care including ER, surgery, and orthopedics. Nearby grocery stores included Food Lion at 1405 E Fredrick Street (3.5 miles), Ingles Markets at 410 W Third Street (4.2 miles) and Walmart Supercenter at 165 Walton Drive (5 miles). Off of the main thoroughfare are predominately residential uses, including single-family homes, manufactured homes, and apartment properties.

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In summary, the subject neighborhood is located in proximity to downtown Gaffney. The subject neighborhood has easy access to employment centers. The proximity to normal desirable facilities and amenities is considered to be good. The neighborhood is experiencing new development and can be considered to be in the growth stage of its life cycle. Overall, values for most property types are considered to be stabilized, with some property types experiencing appreciating values.

The subject is assumed to be zoned RM, which is a multifamily zoning classification. The subject site is well suited for multifamily development and there are nearby apartment properties, including an affordable housing development on an adjacent parcel. The last known apartment market survey in the Gaffney submarket was completed in May 2024 as part of a market study for affordable housing. Among the 20 properties participating in the survey, the overall occupancy rate for 1,588 units was calculated at 98.4 percent – with 16 of the 20 developments at 97 percent occupancy or better, including nine facilities 100 percent occupied. Twelve of the 20 facilities identified reported to have some sort of income eligibility requirements, with three LIHTC properties, four Rural Development projects (with varying levels of rental assistance), and five subsidized developments. When breaking down occupancy rates by financing type, market-rate developments averaged 98.1 percent occupancy, LIHTC units were 97.9 percent occupied, and the other affordable properties averaged approximately 99 percent occupancy.

No new units have been completed since that time and occupancy is believed to remain very high. There is currently one new 64-unit LIHTC apartment property under development and based on the strong occupancy rates among LIHTC developments included in the survey, coupled with waiting lists at each local tax credit property, the construction of this property will likely not have any adverse impact on existing rental properties – either affordable or market rate. Based upon the foregoing information, I believe that multifamily development would be the highest and best use for the site.

Maximally Productive: The most financially feasible use for the subject site, as though vacant, would be multifamily development. Therefore, the maximally productive use for the subject site, as though vacant, would be multifamily development.

Conclusion

The highest and best use for the subject site “as though vacant” is multifamily development. The typical buyer would be a regional developer.

VALUATION METHODOLOGY

The valuation process begins when an appraiser identifies the appraisal problem and ends when he or she reports a conclusion to the client. Each real property is unique and many different types of value can be estimated for a single property. The most common appraisal assignment is performed to estimate market value; the valuation process contains all the steps appropriate to the type of assignment. The model also provides the framework for estimating any other defined value. Furthermore, evaluation assignments often call for value estimates which are derived through application of the valuation process.

The valuation process is accomplished through specific steps; the number of steps followed depends on the nature of the appraisal assignment and the data available. The model indicates a pattern that can be used in any appraisal assignment to perform market research and data analysis, to apply appraisal techniques, and to integrate the results of these activities into an estimate of defined value.

Research begins after the appraisal problem has been defined. The analysis of data relevant to the problem starts with an investigation of trends observed at all market levels - international, national, regional, community, and neighborhood. This examination will help the appraiser understand the interrelationships among the principles, forces, and factors that affect real property value in the specific area. It also provides raw data from which to extract quantitative information and property value over a number of years, the population movement into and area, and the number of employment opportunities available the effect on the purchasing power of potential property users. These data can be analyzed and employed to estimate a defined value.

Traditionally, appraisal techniques are the specific procedures within the three approaches that are applied to derive indications of real property value. Other procedures such as the use of inferential statistics and economic models also contribute to appraisals. One or more approaches to value may be used depending on their applicability to the particular appraisal assignment.

In assignments to estimate market value, the ultimate goal of the valuation process is a well-supported value conclusion that reflects all the factors that influence the market value of the property being appraised. To achieve this goal, an appraiser studies a property from three different viewpoints, which correspond to the three traditional approaches to value.

1. The current cost of reproducing or replacing the improvements, minus the loss in value from depreciation, plus site value - the cost approach.
2. The value indicated by recent sales of comparable properties in the market - the sales comparison approach.
3. The value of a property's earning power based on the capitalization of its income - the income capitalization approach.

The three approaches are interrelated; each requires the gathering and analysis of cost, sales, and income data that pertain to the property being appraised.

From the approaches applied, the appraiser derives separate indications of value for the property being appraised. One of more of the approaches may not be applicable to a specific assignment or may be less reliable due to the nature of the property, the needs of the client, or the data available.

To complete the valuation process, the appraiser integrates the information drawn from market research and data analysis and from the application of approaches to form a value conclusion. This conclusion may be present as a single point estimate of value or as a range within which the value may fall. An effective integration of all the elements in the process depends on the appraiser's skill, experience, and judgement.⁴

4. Appraisal Institute, *The Appraisal of Real Estate*, 11th ed.

SALES COMPARISON APPROACH TO VALUE

The major premise of the Sales Comparison Approach to Value is that no prudent purchaser would pay more for a property than the cost to acquire a property of similar utility in the competing market. The principles that apply are those of substitution, supply and demand, and externalities.

I have researched the market and was only able to locate one closed multifamily site sale located in Cherokee County within the past seven years. Joseph Patterson, commercial appraiser with the Cherokee County assessor's office also performed a search two years ago (2024) and indicated that there had been no multifamily site sales within the county over the previous six years. I was able to obtain information for one pending sale of a multifamily site located in Gaffney. Due to the lack of recent sales in Cherokee County, I have used two multifamily sales located in adjacent counties. One sale is located in unincorporated Spartanburg County and one sale is located in the City of Shelby, NC (Cleveland County). All sales are located within a 16 mile radius of the subject site. The sales are summarized below and shown on a chart at the end of this section entitled "Land Sales Chart."

Market Sales:

Land Sale No. 1: This is the sale of a 7.098 acre site located at the corner of W. Montgomery Street and S. Oliver Street in the City of Gaffney. The parcel is located approximately 1.6 miles south of the subject property. The site sold on June 12, 2025 for \$975,000, or \$137,363/acre, or \$3.15/S.F. The parcel is zoned RM, Multifamily Residential District, by the City of Gaffney and is being developed with a 64-unit affordable housing apartment property. The sale price equates to \$15,234 per planned unit and the indicated density is 9.0 units per acre. The shape of the site is irregular, but functional. The survey shows the site to contain 976.9' of frontage on West Montgomery Street and 296.46' of frontage on S. Oliver Street. The site appears to be primarily located in an X flood zone, a non-hazard area; however, a stream runs along a portion of the rear boundary and then crosses the rear portion of the site and the area surrounding the stream is located in an A flood zone, which is a flood hazard area, without a base flood elevation. Due to the location of the stream the developable portions of the site are non-contiguous, however, it is estimated that over 90% of the developable acreage is contiguous. The site has all utilities available. Road frontage and access are considered to be very good.

TMS No. 081-15-00-004.003 (Cherokee County)

Land Sale No. 2: This is the pending sale of a 2.2 acre parcel located at the corner of West Buford Street and S. Oliver Street in the City of Gaffney. The site is located approximately 1.6 miles south of the subject property. This parcel is located in proximity to Sale No. 1 and the seller is the same. According to the seller, the site is under contract for approximately 35% more than Sale No. 1 sold at on a per acre basis. He mentioned the smaller size as one reason for the higher price per acre. A 35% increase indicates a sale price of approximately \$185,000 per acre, or roughly \$407,000 for the 2.2 acre site. The property is currently zoned GC, General Commercial District by the City of Gaffney; which allows multifamily use as a conditional use; however, the developer has applied to have the site rezoned to RM, Multifamily Residential District, along with a variance to exceed the maximum building height of 50'.

The buyer plans to develop an affordable housing property on the site. I was unable to determine the planned number of units. The shape of the site is irregular, but functional for development. The site has approximately 303' of frontage on W. Buford Street, 299' of frontage on S. Oliver Street, and 479' of frontage on Irene Parker Drive. Road frontage and access are considered to be excellent. The site has all utilities available.

TMS No. 081-13-00-004.000 (Cherokee County)

Land Sale No. 3: This is the sale of a 10.38 acre site located on Earl Road in the City of Shelby, NC. The parcel is located approximately 15 miles northeast of the subject site. The property sold on April 11, 2024 for \$600,000. The site contains approximately 4.39 acres of undevelopable area located within a floodway and overhead transmission line right-of-way resulting in an effective size of 5.99 acres. The sale price equates to \$100,167 per usable acre, or \$2.30/S.F. The buyer is developing the property with a 106 unit apartment community to be called Seasons of Shelby. The site is zoned GB, General Business District, by the City of Shelby. This zoning allows for a variety of commercial and residential uses, including multifamily use. The site has approximately 250' of frontage on Earl Road; however, the only access from Earl Road is via a private drive over an adjacent parcel. The shape of the site is irregular, but functional. Road frontage and access are adequate.

TMS No. 20806 (Cleveland County)

Land Sale No. 4: This is the sale of a 10.421 acre site located on Skylyn Drive just outside of the City of Spartanburg. The parcel is located approximately 15.5 miles southwest of the subject site. The property sold on April 9, 2026 for \$1,575,000. The site contains several small homes that will be demolished and removed at an estimated cost of \$100,000, yielding an effective sale price of \$1,675,000, or \$160,579/acre, or 3.69/S.F. The buyer is developing the property with a 110 unit townhome community to be called Drayton Mills. The development will include 88 market-rate units and 12 workforce housing units that are restricted to tenants at or below 80% of the area median income. The sale price equates to \$15,227/unit and the indicated density is 10.6 units per acre. The site is unzoned; however, as part of a development agreement with the City, the property will be annexed into Spartanburg and will receive a zoning compatible with the proposed development. The site has approximately 915' of frontage on Skylyn Drive, 350' of frontage on Britton Street and 452' of frontage on Carney Street. The shape of the site is irregular, but functional and road frontage and access are excellent.

TMS No. 7-09-09-101.00 (Spartanburg County)

Discussion of Adjustments:

The sales indicate a range in value before adjustments of \$59,000 to \$111,111/acre. The primary value indicators are \$ per acre and \$ per unit. Multifamily developers typically utilize financial modeling techniques and purchase decisions are often based on the price per unit. However, based upon guidance included in SC Housings 2026 QAP, I have based this analysis upon the \$ per acre indications and used the \$ per unit value indication for secondary support.

Time/Market Conditions: Prices are generally believed to have been stable over the past two years; therefore, no adjustment is made for market conditions.

Location: Sale Nos 1, 2 and 3 have more pedestrian friendly locations and are adjusted -10% for location. Sale No. 4 is located in a higher income area in proximity to the City of Spartanburg and is adjusted -20% for location.

Size: Sale No. 2 is considerably smaller than the subject property and is adjusted -15% for size.

Shape/Access: Sales 1, 2, and 3 are considered to be superior to the subject site in respect to road frontage and access and each sale is adjusted between -10% and -15%. Sale No. 3 is inferior in respect to access and is adjusted +10%.

Topography: Sale No. 1 is crossed by a stream which makes it's usable area non-contiguous, therefore, this sale is adjusted +10% for inferior topography.

Adverse Influences: Sale No. 3 faces a large overhead power transmission line and this sale is adjusted +5% for the perceived overall negative effect on the property's appeal.

Conclusion

After adjustments, the sales range from \$105,175 to \$123,267/acre, with a mean of \$113,052/acre and a median of \$111,703. The sales ranged from \$5,943 to \$13,711 per planned unit, with a mean of \$10,659/unit. Sale No. 1 and 2, at \$123,627/acre and \$111,000/acre, respectively, are located in the City of Gaffney; however, Sale No. 2 required significant adjustment and the precise sale price of this sale is not known. I have also given consideration to the pending contract for the subject property, at \$106,700/acre. The seller is a licensed real estate broker and the buyer is an experienced real estate developer and the contract appears to have been negotiated by knowledgeable parties. Based upon the comparable sales, the contract price appears to be approximate the market value.

Based upon the foregoing information, I believe that the indicated value of the subject site is about \$110,000/acre. This equates to \$11,000 per planned unit, which is within the indicated range and near the mean. The subject property totals 6.276 acres, indicating a value of \$690,360. Therefore, the estimated value of the subject property by the Sales Comparison Approach to Value is then **\$690,000**.

LAND SALES CHART

SALE NUMBER	SALE NO. 1	SALE NO. 2	SALE NO. 3	SALE NO. 4
TMS	081-15-00-004.003	081-15-00-003.000	20806	7-09-09-101.00
LOCATION	W. Montgomery Street Gaffney	W. Buford St. Gaffney	Earl Road Shelby	Skylyn Drive Spartanburg County
DISTANCE (MILES)	1.6	1.6	15	15.5
ZONING	RM	GC	GB	None
SALE DATE	6/12/2025	UC	4/11/2024	4/9/2026
# OF UNITS	64	n/a	106	90
DENSITY	9.0	n/a	15.1	10.6
EFF. SALE PRICE	\$975,000	~\$407,000	\$600,000	\$1,675,000
EFF. SIZE (ACRES)	7.098	2.2	5.99	10.431
EFF. SIZE (SF)	309,179	95,832	260,924	454,374
SALE PRICE/UNIT	\$15,234	n/a	\$5,660	\$15,227
SALE PRICE/ACRE	\$137,363	\$185,000	\$100,167	\$160,579
SALE PRICE/SF	\$3.15	\$4.25	\$2.30	\$3.69
TIME ADJ.	-0-	-0-	-0-	-0-
ADJ. SALE PRICE/ACRE	\$137,363	\$185,000	\$100,167	\$160,579
ADJ. SALE PRICE/UNIT	\$15,234	n/a	\$5,660	\$15,227
TIME ADJ. SALE PRICE/SF	\$3.15	\$4.25	\$2.30	\$3.69
ADJ.				
LOCATION	-10%	-10%	-10%	-20%
SIZE	-0-	-15%	-0-	-0-
SHAPE/ACCESS	-10%	-15%	+10%	-10%
TOPOGRAPHY	+10%	-0-	-0-	-0-
ADVERSE INF.	-0-	-0-	+5%	-0-
TOTAL ADJ.	-10%	-40%	+5%	-30%
ADJ. SALE PRICE/UNIT	\$13,711	n/a	\$5,943	\$10,659
ADJ. SALE PRICE/ACRE	\$123,627	\$111,000	\$105,175	\$112,405

Land Sale No. 1**Property Identification**

Record ID	1370
Property Type	Vacant Land, Commercial/Multifamily Land
Address	W. Montgomery Street, Gaffney, SC
Location	At S. Oliver Street
TMS	081-15-00-004.003
CSA	Greenville-Spartanburg-Anderson

Sale Data

Grantor	Hamrick Mills, Inc.
Grantee	HD Belle Haven, LLC
Sale Date	June 12, 2025
Deed Book/Page	185/1779
Plat	185/968
Property Rights	Fee Simple
Financing	Cash-to-Seller

Sale Price	\$975,000
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Land Data

Zoning	RM, Multifamily Residential District
Utilities	All Available
Shape	Irregular; Functional

Land Size Information

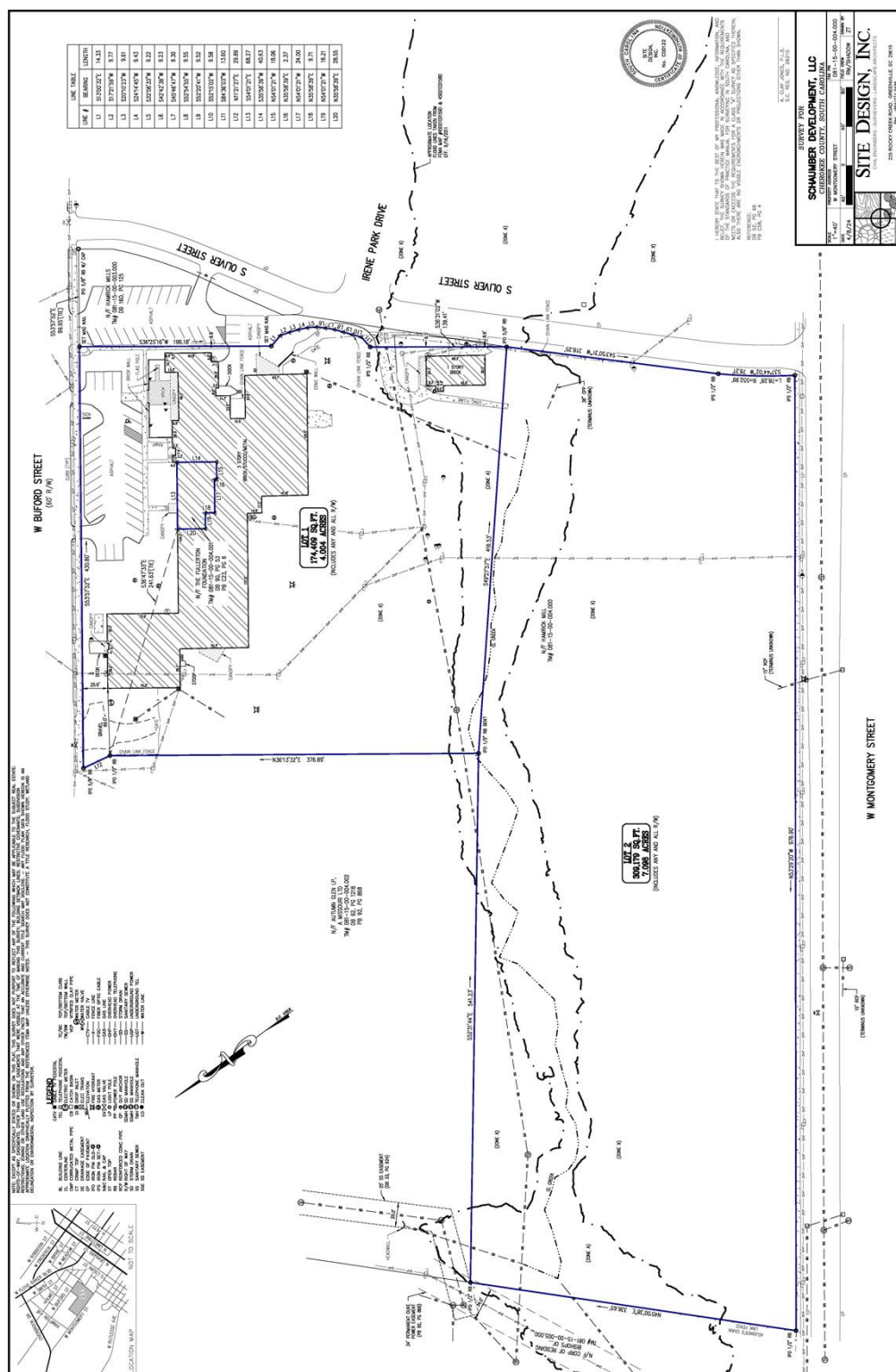
Gross Land Size	7.098 Acres or 309,179 SF
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Indicators

Sale Price/Acre	\$137,363
Sale Price/SF	\$3.15

Remarks

The survey shows the site to contain 976.9' of frontage on West Montgomery Street and 296.46' of frontage on S. Oliver Street. The site appears to be primarily located in an X flood zone, a non-hazard area; however, a stream runs along a portion of the rear boundary and then crosses the rear portion of the site and the area surrounding the stream is located in an A flood zone, which is a flood hazard area, without a base flood elevation. Due to the location of the stream the developable portions of the site are non-contiguous, however, it is estimated that over 90% of the developable acreage is contiguous. The property is being developed with a 64-unit affordable housing apartment property.



Land Sale No. 2**Property Identification**

Record ID	1371
Property Type	Vacant Land, Multifamily Land
Address	W. Buford Street, Gaffney, SC
Location	At S. Oliver Street
TMS	081-15-00-003.000
CSA	Greenville-Spartanburg-Anderson

Sale Data

Grantor	Hamrick Mills, Inc.
Grantee	J.M. Cope or Related Entity
Sale Date	Pending
Deed Book/Page	Pending
Property Rights	Fee Simple
Financing	Cash-to-Seller

Sale Price	~\$407,000
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Land Data

Zoning	GC, General Commercial District
Utilities	All Available
Shape	Irregular; Functional

Land Size Information

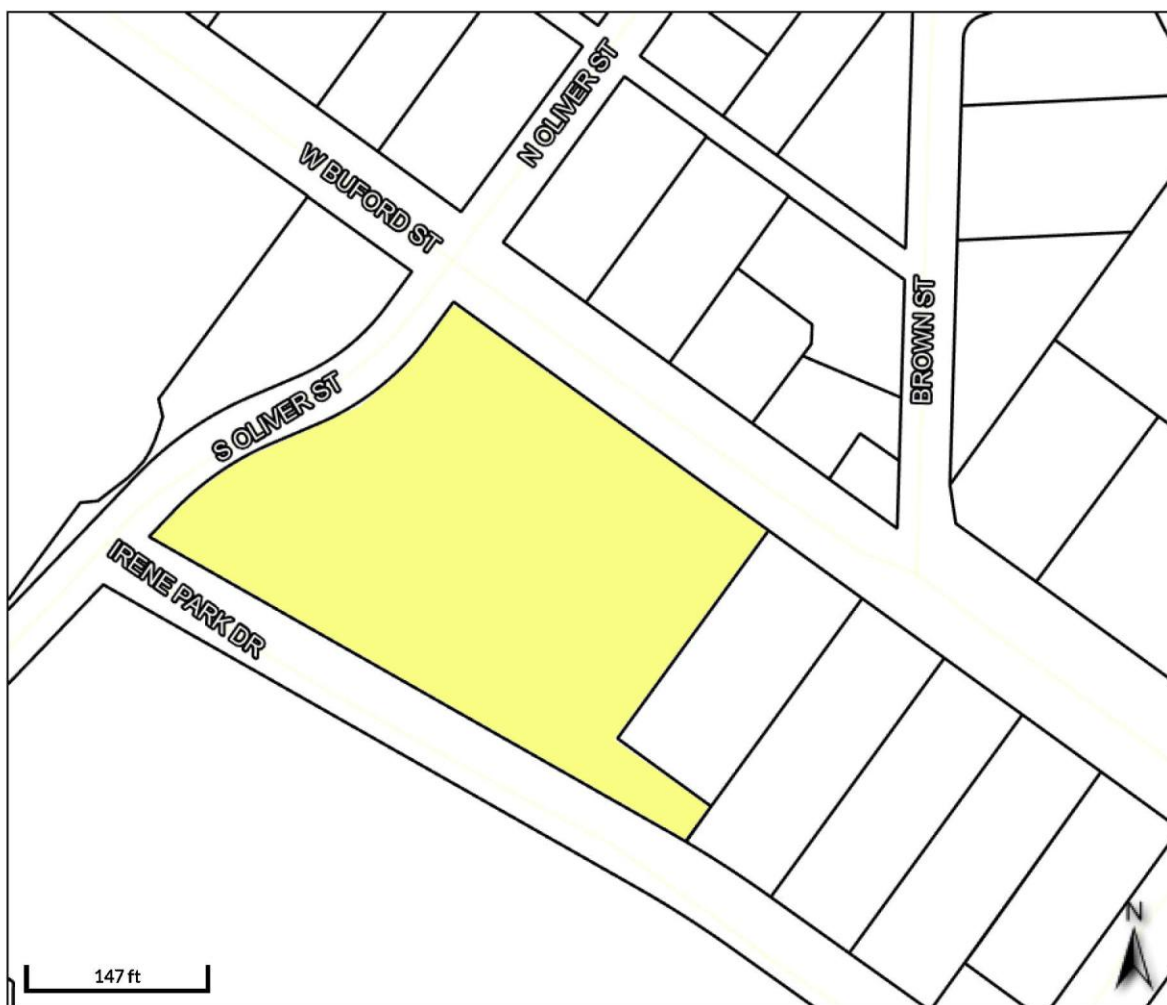
Gross Land Size	2.2 Acres or 95,832 SF
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Indicators

Sale Price/Acre	\$185,000
Sale Price/SF	\$4.25

Remarks

This parcel is located in proximity to Sale No. 1 and the seller is the same. According to the seller, the site is under contract for approximately 35% more than Sale No. 1 sold at on a per acre basis. He mentioned the smaller size as one reason for the higher price per acre. A 35% increase indicates a sale price of approximately \$185,000 per acre, or roughly \$407,000 for the 2.2 acre site. The property is currently zoned GC, General Commercial District by the City of Gaffney; which allows multifamily use as a conditional use; however, the developer has applied to have the site rezoned to RM, Multifamily Residential District, along with a variance to exceed the maximum building height of 50'. The buyer plans to develop an affordable housing property on the site. I was unable to determine the planned number of units. The shape of the site is irregular, but functional for development. The site has approximately 303' of frontage on W. Buford Street, 299' of frontage on S. Oliver Street, and 479' of frontage on Irene Parker Drive. Road frontage and access are considered to be excellent.



Land Sale No. 3**Property Identification**

Record ID	1373
Property Type	Vacant Land, Multifamily Land
Address	Earl Road, Shelby, NC
Location	South of US Highway 74
TMS	20806
CSA	Charlotte-Concord

Sale Data

Grantor	The Partnership Alliance Company, LLC
Grantee	Southwood Realty Company
Sale Date	April 11, 2024
Deed Book/Page	1918/2860
Plat	45/122
Property Rights	Fee Simple
Financing	Cash-to-Seller

Sale Price	\$600,000
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Land Data

Zoning	GB, General Business District
Utilities	All Available
Shape	Irregular; Functional

Land Size Information

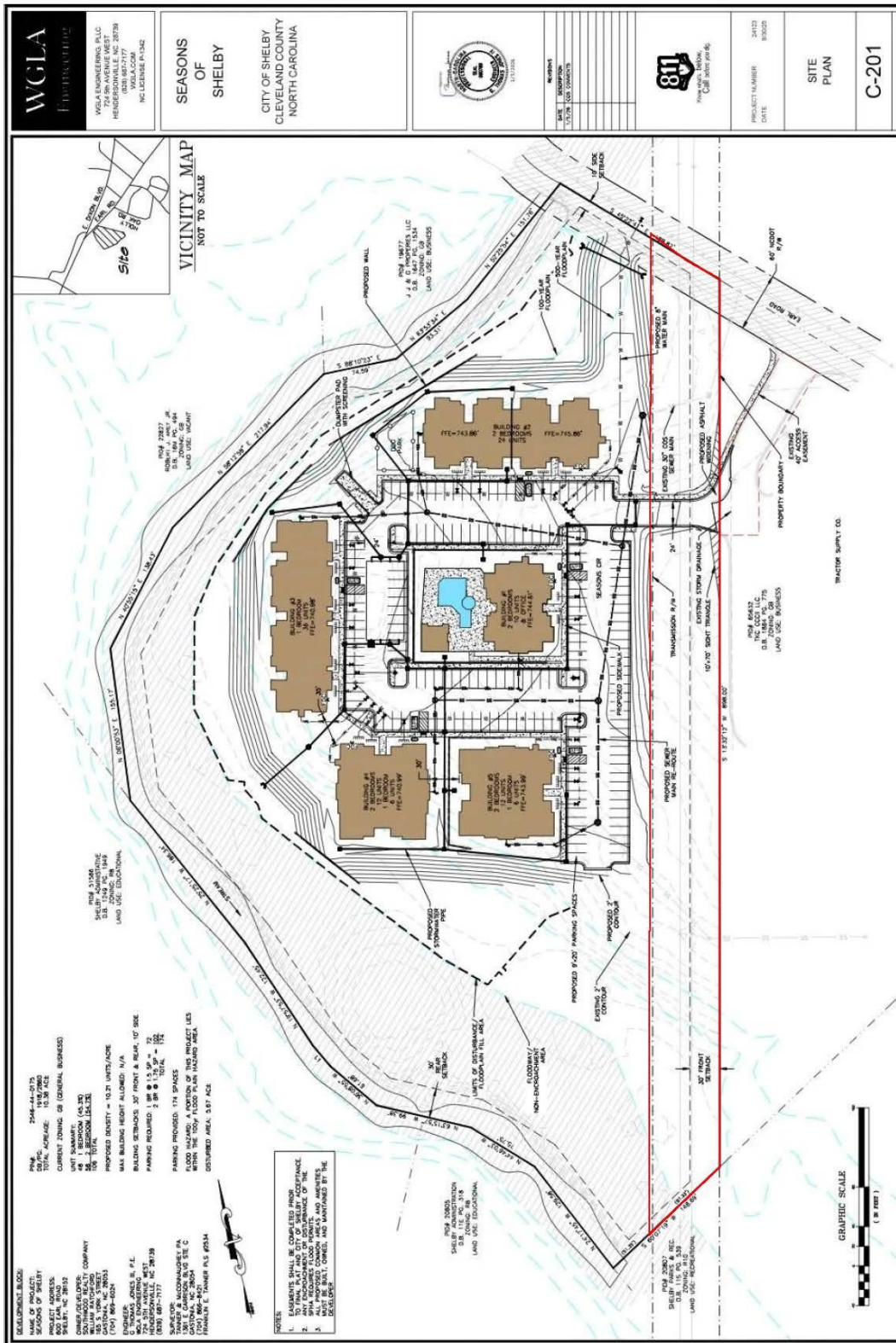
Gross Land Size	10.38 Acres or 217,800 SF
Less Floodway	2.81 Acres
Less Transmission R/W	1.58 Acres
Effective Land Size	5.99 Acres or 260,924 SF

Indicators

Sale Price/Acre	\$100,167
Sale Price/SF	\$2.30

Remarks

The site contains approximately 4.39 acres of undevelopable area located within a floodway and overhead transmission line right-of-way resulting in an effective size of 5.99 acres. The buyer is developing the property with a 106 unit apartment community to be called Seasons of Shelby. The site has approximately 250' of frontage on Earl Street; however, the only access from Earl Street is via a private drive over an adjacent parcel. The shape of the site is irregular, but functional. Road frontage and access are adequate.



Land Sale No. 4**Property Identification**

Record ID	1374
Property Type	Vacant Land, Multifamily Land
Address	Skylyn Drive, Spartanburg, SC
Location	At Britton Street
TMS	7-09-09-101.00
CSA	Greenville-Spartanburg-Anderson

Sale Data

Grantor	Pacolet Milliken, LLC
Grantee	Drayton Townhomes, LLC
Sale Date	April 9, 2026
Deed Book/Page	157-D/953
Plat	189/178
Property Rights	Fee Simple
Financing	Cash-to-Seller

Sale Price	\$1,575,000
Add Demolition	\$100,000
Effective Sale Price	\$1,675,000

Land Data

Zoning	No Zoning, but Under ULMO
Utilities	All Available
Shape	Irregular; Functional

Land Size Information

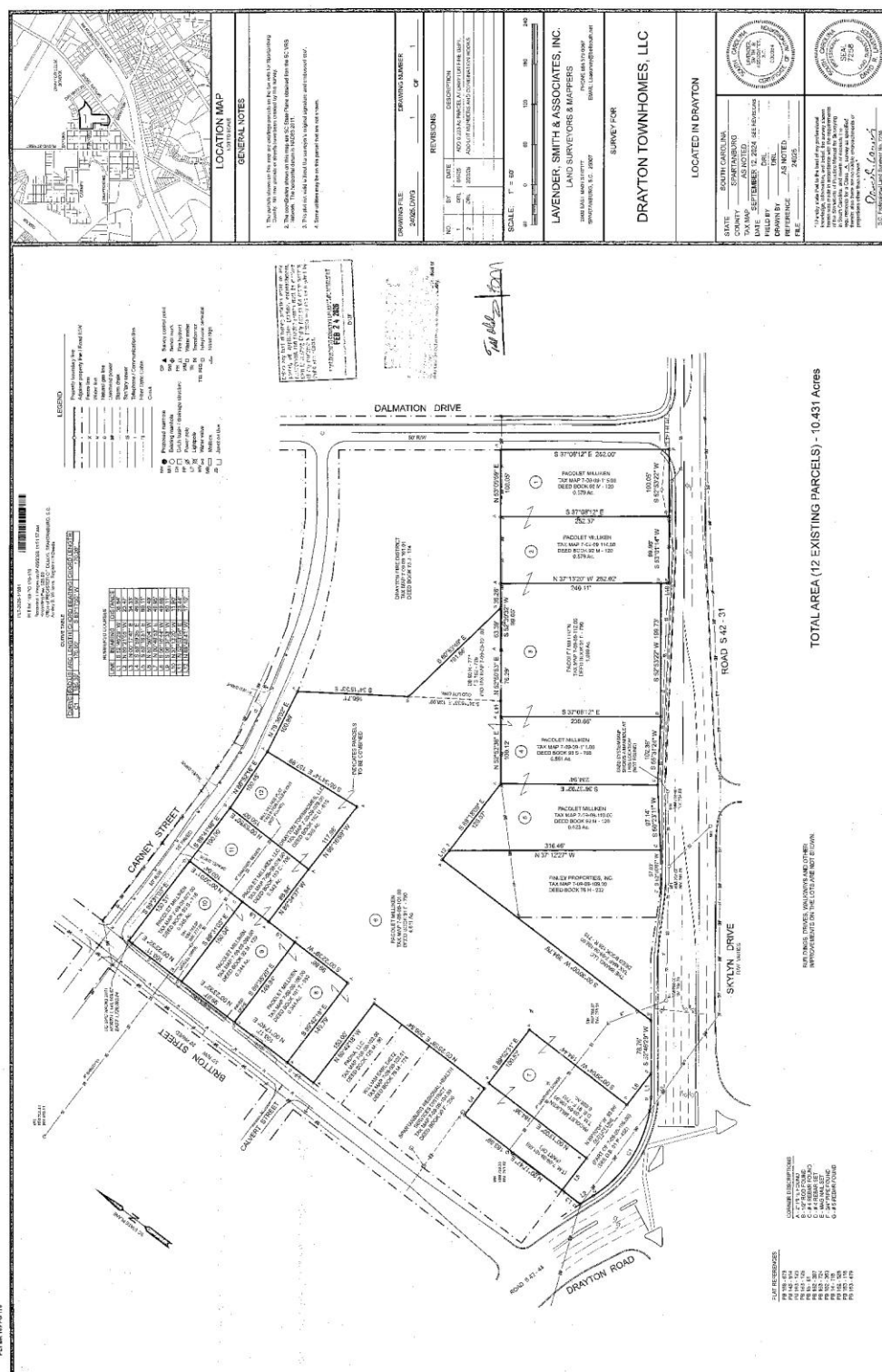
Gross Land Size	10.431 Acres or 454,374 SF
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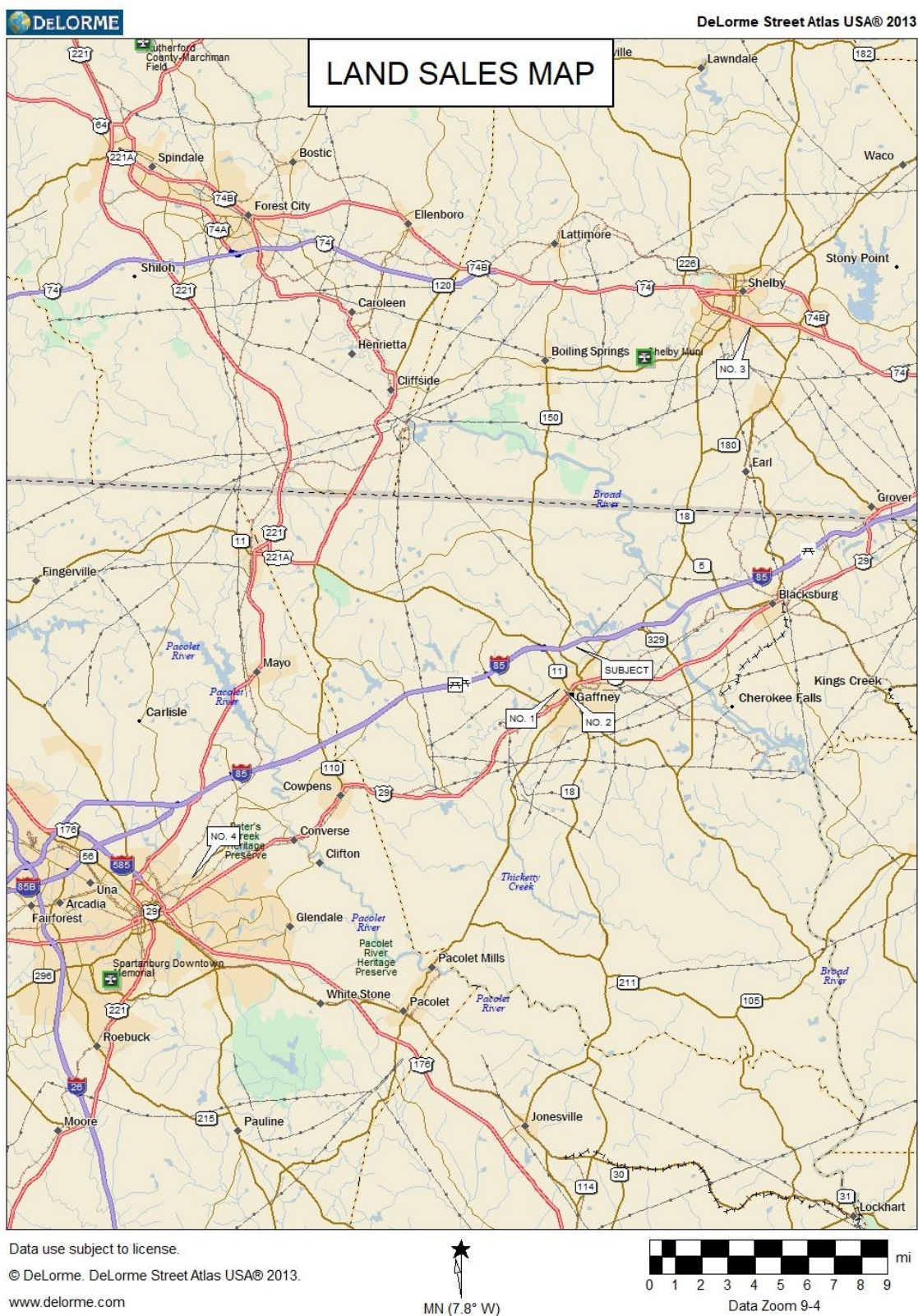
Indicators

Sale Price/Acre	\$160,579
Sale Price/SF	\$3.69

Remarks

The site contains several small homes that will be demolished and removed at an estimated cost of \$100,000, yielding an effective sale price of \$1,675,000. The buyer is developing the property with a 110 unit townhome community to be called Drayton Mills. The development will include 88 market-rate units and 12 workforce housing units that are restricted to tenants at or below 80% of the area median income. The sale price equates to \$15,227/unit and the indicated density is 10.6 units per acre. The site is unzoned; however, as part of a development agreement with the City, the property will be annexed into Spartanburg and will receive a zoning compatible with the proposed development. The site has approximately 915' of frontage on Skylyn Drive, 350' of frontage on Britton Street and 452' of frontage on Carney Street. The shape of the site is irregular, but functional and road frontage and access are excellent.





FINAL CONCLUSION OF VALUE

Value Indications:

Market Value “As Is”

\$690,000

The Sales Comparison Approach to Value is based on the assumption that no prudent purchaser would pay more for a property than the cost to acquire a property of similar utility in the competing market. This approach renders a reliable estimate of value when there are several recent sales of similar properties in the market. I have researched the market and found sales of reasonably comparable properties. The value indication by the Sales Comparison Approach to Value is considered to be reliable.

Based on the appraisers’ investigation, analyses and conclusions, an opinion has been formed that the Market Value “As Is” of the fee simple estate of the subject property, as of April 26, 2026, was:

SIX HUNDRED NINETY THOUSAND DOLLARS

\$690,000

MARKETING TIME/EXPOSURE PERIOD

Based on sales that I am aware of, the marketing time and exposure period for the subject property are each estimated to be about 12 months. It should be noted that marketing time/exposure period is a function of several variables including list price and marketing strategies. This marketing time/exposure period estimate is based on the value reported and competent marketing.

QUALIFICATIONS

Franklin B. Sewell, MAI
 Gold Bug Valuation Services, LLC
 1493 Village Sq.
 Mount Pleasant, South Carolina 29464

Phone: (843) 284-3090

Education:

B.A. Degree - Psychology Major Emphasis: Cognitive/Experimental University of North Carolina - Wilmington Wilmington, North Carolina	1991
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Professional Studies:

Introduction to Real Estate Principles	1994
Real Estate Law	1994
Course R-1 Real Estate Appraisal Principles	1994
Real Estate Finance	1995
Course R-2 Basic Valuation Procedures	1995
Course R-3 Standards of Professional Practice	1995
Course G-1 Capitalization Theory & Techniques - Part A	1995
Course G-2 Capitalization Theory & Techniques - Part B	1996
Course G-3 Case Studies in Real Estate Valuation	1996
Seminar: Internet and the Appraiser	1997
Seminar: Guideline for Residential Building Systems Inspection	1998
Seminar: 4.7 Basic Residential HUD Appraisal Requirements	1999
Course L-3 Uniform Standards of Professional Practice	2001
Seminar: Appraising Condominiums	2002
Course CE-NSU National USPAP Update	2003
Course 410 Uniform Standards of Professional Practice	2004
Course 420 Business Practices and Ethics	2004
Seminar: Rates and Ratios	2004
Broker A & B	2005
Course CE-NSU National USPAP Update	2006
The Valuation of Partial Interests	2006
Course 510 Advanced Income Analysis	2007
Course CE-NSU National USPAP Update	2008
NAR Code of Ethics Training - Commercial Track	2008
Commercial Finance and Investment Analysis	2009
Course 520 Market Analysis and Highest and Best Use	2010
Course CE-NSU National USPAP Update	2010
Advanced Concepts and Case Studies	2011
Course CE-NSU National USPAP Update	2012
General Appraiser Report Writing & Case Studies	2013

QUALIFICATIONS (Cont.)

Appraisal of Self-Storage Facilities	2014
Course CE-NSU National USPAP Update	2014
Course CE-1375 Forest Valuation for Non-Foresters	2014
Course DE-1188 Appraisal Math and Statistics	2016
Course DE-1127 Green Building for Appraisers	2016
Course DE-1129 Introduction to Legal Descriptions	2016
Course CE-NSU National USPAP Update	2016
Course DE-1379 Appraisal of Fast Food Facilities	2018
Course DE-1549 Basic Hotel Appraising - Limited Service Hotels	2018
Course DE-1511 Advanced Hotel Appraising - Full Service Hotels	2018
Course CE-NSU National USPAP Update	2018
Course DE-1668 Basic Construction Review	2020
Course DE-1671 Defensible Appraising	2020
Course CE-NSU National USPAP Update	2020
Course DE-1868 Business Practices and Ethics	2021
Course DE-754 Forecasting Revenue	2021
Course DE-1605 Appraising Energy Efficient Residential Properties	2022
Course CE-NSU National USPAP Update	2022
Course DE-2089 Appraisal Liability and Risk Management	2023
Course DE-1942 Non-Lending Appraisal Assignments	2023
Course CE-2191 Appraisal of Eminent Domain Acquisitions	2024
Course DE-145 2024-2025 7-Hour National USPAP Update	2024
Course 20-1307175 Basic Market Analysis – The Key to Credible Results	2026
Course 20-1257016 Applying Appraisal Standards for Competent Valuations	2026
Course 20-1321332 Valuation Bias and Fair Housing Laws and Regulations	2026

Prior Experience:

Gold Bug Realty, LLC/Gold Bug Valuation Services, LLC	2006 - Present
Nimmich & Associates, LLC	2002 - 2021
Nimmich, Anderson & Associates	1996 - 2002

Certifications:

South Carolina State Certified General Real Estate Appraiser CG-2877	1999
South Carolina Real Estate Commission: Licensed Broker-in-Charge 26030	2005
North Carolina State Certified General Real Estate Appraiser A8089	2016

Professional Associations:

Appraisal Institute (MAI)
 Member of Charleston Trident Association of Realtors – Licensed Real Estate Broker

QUALIFICATIONS (Cont.)**Appraisal Experience Includes:**

- | | |
|--------------------------|-------------------------------|
| -Apartments | -Federal Government Buildings |
| -Acreage | -Mixed-Use Properties |
| -Office Buildings | -Manufacturing |
| -Convenience Stores | -Condominium Development |
| -Banks | -Restaurants |
| -Churches | -LIHTC Properties |
| -Warehouses | -Industrial Properties |
| -Retail Properties | -Single Family Residential |
| -Shopping Centers | -Special Purpose Properties |
| -Municipal Properties | -Automotive Dealerships |
| -Historical Properties | -Condemnation |
| -Subdivision Development | -Medical Office Buildings |

ADDENDA

ADDENDUM A

Filed for Record in
SHERIFF COUNTY, NC
CHRIS PARKER, REGISTER OF DEEDS
04/25/2004 10:50:06 AM
DEED \$ 15.00 Exempt-2

State Tax: \$ 1570.20 County Tax: \$ 634.20
 Grantor's Address: 812 E. Main St., Bismarck, ND 58101-1305

KNOW ALL MEN BY THESE PRESENTS, that, **Czar Holdings, LLC ("Grantor")** for and in consideration of Five Hundred Seventy Seven Thousand and 00/100 (\$577,000.00) Dollars, the receipt of which is hereby acknowledged, and subject to the limiting language contained herein, if any, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto **TC Hampshire, LLC ("Grantee")**:

All that certain piece, parcel or tract of land lying, situate and being in the State of South Carolina, County of Cherokee, being shown and designated as 21.60 acres, more or less, on a survey prepared for Cza: Holdings, LLC by Lavender, Smith & Associates, Inc. dated February 4, 2019 and recorded in Plat Book 110 at Page 777 in the Office of the Register of Deeds for Cherokee County. For a more complete and particular description, reference is hereby made to the aforesaid plat.

This being the same property conveyed to Cedar Holdings, LLC by deed of Parksouth Drive Lots and Gaffney Property, LLC dated February 14, 2019 and recorded February 19, 2019 in Book 110 at Page 778 in the Office of the Registrar of Deeds for Cherokee County.

Tax Parcel Number 098-00-00-011.000

AND ALSO:

All that certain piece, parcel or tract of land lying, situate and being in the State of South Carolina, County of Cherokee, being shown and designated as 0.5 acres, more or less, on a survey of property owned by Charlie A. Foxx prepared by L. Marion Wood, R.L.S., dated July 31, 1969 and recorded in Plat Book 7A at Page 218 in the Office of the Register of Deeds for Cherokee County. For a more complete and particular description, reference is hereby made to the aforesaid plat.

This being a portion of the property conveyed to Czar Holdings, LLC by deed of Deidra Foxx Upchurch dated June 27, 2019 and recorded June 28, 2019 in Book 113 at Page 1892 in the Office of the Register of Deeds for Cherokee County.

Tax Parcel Number 098-00-00-020.000

AND ALSO:

All that certain piece, parcel or tract of land lying, situate and being in the State of South Carolina, County of Cherokee, being shown and designated as 1.0 acres, more or less, on a survey of property owned by Max A. Foxx prepared by L. Marion Wood, RLS, dated July 31, 1969 and recorded in Plat Book 7A at Page 217 in the Office of the Register of Deeds for Cherokee County. For a more complete and particular description, reference is hereby made to the aforesaid plat.

This being a portion of the property conveyed to Czar Holdings, LLC by deed of Deidra Foxx Upchurch dated June 27, 2019 and recorded June 28, 2019 in Book 113 at Page 1892 in the Office of the Register of Deeds for Cherokee County.

Tax Parcel Number 098-00-00-021.001

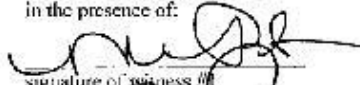
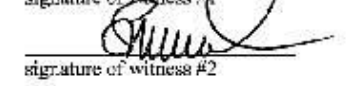
In addition to the reservations, conditions and/or easements contained herein if any, this conveyance is made subject to all covenants, restrictions, easements, rights of way, and other matters of record and such matters as would be shown by a current plat and inspection affecting the within described property.

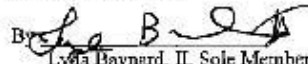
TOGETHER with all and singular the rights, members, hereditaments and appurtenances to the said premises belonging or in anywise incident or appertaining thereto: TO HAVE AND TO HOLD, all and singular the said premises before mentioned unto the said Grantee(s) and the Grantee's(s)' heirs (or successors) and assigns forever. The Grantor(s) do(es) hereby bind the Grantor(s) and the Grantor's(s)' heirs (or successors) and assigns, to warrant and forever defend all and singular the premises unto the Grantee(s), and the Grantee's(s)' heirs (or successors) and assigns against the Grantor(s) and the Grantor's(s)' heirs (or successors) and against any person whomsoever lawfully claiming or to claim the same, or any part thereof, except as to conditions, covenants, right of ways, easements and restrictions of record.

WITNESS the Grantor's(s) hand(s) and seal(s) this 24th day of April, 2024.

SIGNED, sealed and delivered
in the presence of:

Czar Holdings, LLC


signature of witness #1

signature of witness #2

By  (SEAL)
Lyda Baynard, II, Sole Member

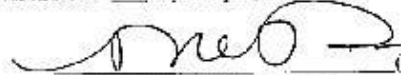
STATE OF SOUTH CAROLINA)

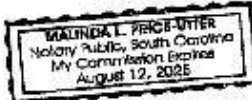
ACKNOWLEDGMENT

COUNTY OF YORK ~~York~~ Spartenburg)

I, Malinda L. Price-Utter, the undersigned Notary Public, do hereby certify that
Lyda Baynard, II as the Sole Member of Czar Holdings, LLC, being duly authorized, personally
appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 24th day of April, 2024.

 (SEAL)
Notary Public for South Carolina
Print Name: _____



STATE OF SOUTH CAROLINA

COUNTY OF YORK Spartenburg

AFFIDAVIT

Instrument: Book Value Page
SEM-199 GR 171 1301

PERSONALLY, appeared before me the undersigned, who being duly sworn, deposes and says:

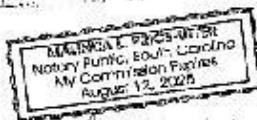
1. I have read the information on this affidavit and I understand such information.
2. The property bears Cherokee County Tax Map Numbers 098000001.000, 098000002.000 & 098000002.100, and was transferred from Clear Holdings, LLC to TC Hampshire, LLC on April 24, 2024.
3. Check one of the following. The deed is:
 - (a) ☒ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
 - (b) ☐ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a contribution to a trust beneficiary.
 - (c) ☐ exempt from the deed recording fee because (See Information section of affidavit):
(If exempt, please skip items 4-7, and go to item 8 of this affidavit.)
4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit):
 - (a) ☒ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of \$577,000.00.
 - (b) ☐ The fee is computed on the fair market value of the property which is \$_____.
 - (c) ☐ The fee is computed on the fair market value of the realty as established for property tax purposes which is _____.
5. Check Yes ☐ or No ☒ to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "Yes", the amount of the outstanding balance of this lien or encumbrance is: \$_____.
6. The recording fee is computed as follows:
 - (a) Place the amount listed in item 4 above here: \$577,000.00
 - (b) Place the amount listed in item 5 above here: \$0.
(If no amount is listed, place zero here.)
 - (c) Subtract Line 5(b) from Line 4(a) and place result here: \$577,000.00
7. The recording fee due is based on the amount listed on Line 6(c) above and the recording fee due is: \$2,154.90.
8. As required by Code Section 12-24-70, I state that I am the responsible person who was connected with the transaction as: Chairman
9. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Clear Holdings, LLC

By: [Signature]
Lynd Baynard, U, Sole Member

SWORN to before me this 24th
day of April, 2024.

Notary Public for SC
My Commission Expires: _____



INFORMATION:

Except as provided in this paragraph, the term "value" means "the consideration paid or to be paid in money or money's worth for the realty." Consideration paid or to be paid in money's worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in money's worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust or as a distribution to a trust beneficiary, "value" means the realty's fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, interest, or realty before the transfer and remaining on the land, interest, or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempt from the fee are deeds:

- (1) transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal to or less than one hundred dollars;
- (2) transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
- (3) that are otherwise exempted under the laws and Constitution of this State or of the United States;
- (4) transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (5) transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty;
- (6) transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 35;
- (7) that constitutes a contract for the sale of timber to be cut;
- (8) transferring realty to a corporation, a partnership, or a trust in order to become, or as a stockholder, partner, or trust beneficiary, entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increased value in such stock or interest held by the grantor. However, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or trust beneficiary of the entity is subject to the fee even if the realty is transferred to another corporation, a partnership, or trust;
- (9) transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantor's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. The beneficiaries of a family trust may also include charitable entities. "Family" means the grantor and the grantor's spouse, parents, grandparents, sisters, brothers, children, grandchildren, grandchildren, and the spouses and lineal descendants of any of the above. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (10) transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;
- (11) transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership; and
- (12) that constitutes a corrective deed or a quitclaim deed used to confirm title already vested in the grantee, provided that no consideration of any kind is paid or is to be paid under the corrective or quitclaim deed;
- (13) transferring realty subject to a mortgage to the mortgagee whether by a deed in lieu of foreclosure executed by the mortgagor or deed executed pursuant to foreclosure proceedings;
- (14) transferring realty from an agent to the agent's principal in which the realty was purchased with funds of the principal, provided that a notarized document is also filed with the deed that establishes the fact that the agent and principal relationship existed at the time of the original purchase as well as for the purpose of purchasing the realty.

ADDENDUM B

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is executed to be effective as of the latest date set forth on the signature page of this Agreement (the "Effective Date"), by and between **SOUTH CREEK DEVELOPMENT, LLC**, a North Carolina limited liability company (together with its successors and/or assigns, "Buyer"); and **TC Hampshire, LLC**, a South Carolina limited liability company ("Seller"), using the notice address provided herein, together with its heirs and/or assigns, "Seller" (Buyer and Seller are collectively referred to as the "Parties", and each a "Party").

1. **Property.** On the terms herein set forth, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, a +/- 6 acre tract (the "Land"), as approximately depicted on Exhibit A, attached hereto and made a part hereof, located at Hampshire Drive, Gaffney, Cherokee County, South Carolina 29341 (a portion of Parcel ID Nos. 096-00-00-011.000, 096-00-00-020.000, and 096-00-00-021.001) together with all easements, appurtenances and rights thereunto belonging, including without limitation, all (a) right, title and interest in roads, alleys, easements, streets and rights of way bounding the Land, if any; (b) rights of ingress and egress to and from the Land (including without limitation, all right, title and interest in and to all applicable cross-access and reciprocal easements and/or agreements), and (c) oil, gas and other minerals lying on or under the Land (collectively, the "Property").

a. **Land Acreage and Location.** The exact acreage and boundaries of the Land shall be determined on or before March 31, 2026, and shall be determined by a new survey of the Property purchased and coordinated by Buyer (the "Survey").

2. **Purchase Price.** The purchase price of the Property shall be \$110,000.00 per acre, as such acreage is determined pursuant to Section 1(a) herein, which total shall be reduced by three percent (3%) (the "Purchase Price"), payable at Closing by Buyer.

3. **Title Company and Earnest Money.**

a. **Name and Initial Amount.** Old Republic National Title Company, 1125 Sanctuary Parkway, Suite 140, Alpharetta, GA 30009, Attn: Kelly Shaw (the "Escrow Agent" and/or "Title Company") will serve as the escrow agent. Within ten (10) business days of the Effective Date, Buyer shall deposit the sum of \$20,000.00 with the Escrow Agent as earnest money to be applied to the Purchase Price (the "Initial Earnest Money" and collectively with any Additional Earnest Money and Closing Extension Fee(s), as defined herein below, the "Earnest Money")¹, subject to the terms and provisions of this Agreement. All Earnest Money shall be applicable to the Purchase Price at Closing. The Title Company shall promptly notify Seller upon deposit of the Initial Earnest Money. If Buyer does not terminate this Agreement prior to the expiration of the Due Diligence Period (as hereinafter defined and as may be extended herein), on such date the Initial Earnest Money shall be non-refundable to Buyer, except in the event of Seller's default of this Agreement or as otherwise provided herein. On March 31, 2026, \$5,000.00 of the Initial Earnest Money shall be released to Seller and become non-refundable except in the event of Seller's default of this Agreement or as otherwise expressly provided herein.

b. **Account.** The Earnest Money shall be held by the Escrow Agent in an escrow account, to be handled in accordance with the terms and conditions of this Agreement.

¹ Please refer to Schedule "1" attached hereto and incorporated herein for a schedule detailing the Earnest Money deposits required by this Agreement.

4. Due Diligence.

a. **Due Diligence Period.** Beginning on the Effective Date and extending through 5:00 p.m. (EST) on July 31, 2026, (the "Due Diligence Period"), Buyer shall have the right to conduct inspections of the Property (the "Due Diligence Investigations") and its suitability, as determined by Buyer in its sole and absolute discretion, for Buyer's Use. The right to conduct Due Diligence Investigations includes, without limitation, the right of Buyer and Buyer's employees, agents, affiliates and contractors to enter upon any portion of the Property as referenced in Exhibit A to make market studies, appraisals, needs assessments, take measurements, make inspections, conduct test borings, make boundary and topographical survey maps and to conduct geotechnical, soil, environmental, groundwater, wetland and other studies required by Buyer in its sole discretion, and to determine the existence and adequacy of utilities serving the Property, zoning and compliance with laws. No Due Diligence Investigations shall constitute a waiver or relinquishment on the part of Buyer of its rights under any covenant, condition, representation or warranty of Seller under this Agreement. Buyer shall use only insured contractors and agents and Buyer shall indemnify and hold harmless Seller from any and all liability related to the Due Diligence Investigations or the claims of parties working with or on behalf of Buyer with respect to the Property; provided, however, Buyer shall not be obligated to indemnify or hold Seller harmless from any and all damages, claims, costs and expenses: (i) caused by any act or omission of Seller or its agents; (ii) due to the discovery by Buyer or Buyer's agents of latent defects or other existing conditions on the Property; (iii) due to any diminution in value of the Property arising from or relating to matters discovered by Buyer or Buyer's agents during Due Diligence Investigations; or (iv) due to the existence of any hazardous materials which are discovered on or under the Property by Buyer or Buyer's agents.

b. **Due Diligence Materials.** Within ten (10) days of the Effective Date (the "Delivery Date"), Seller shall deliver to Buyer, at no cost to Buyer, each of the following items that are in the possession of Seller, if any (collectively, the "Due Diligence Materials"):

- (i) Current year and immediately prior year tax bills and evidence of payment of same through the Effective Date;
- (ii) Existing soil and groundwater tests;
- (iii) Title commitments, title policies and surveys;
- (iv) Leases, reciprocal easement agreements, service contracts and/or any other agreements in any way affecting the Property;
- (v) Environmental reports;
- (vi) Underground storage tank test results;
- (vii) Waste disposal records; permit records;
- (viii) Code violation notices and records;
- (ix) Traffic studies; and
- (x) All other engineering tests and other non-proprietary studies, reports, records and notices pertaining to the Property.

In the event the Property is not satisfactory to Buyer for any reason in Buyer's sole and absolute discretion, Buyer shall have the right to terminate this Agreement by delivering written notice thereof to Seller prior to the expiration of the Due Diligence Period, and Buyer shall receive a full and prompt refund of the Earnest Money without the need for Seller's signature or consent for its release. Buyer shall return to its condition prior to inspection if disturbed or damaged. Upon the expiration of the Due Diligence Period, the Initial Earnest Money will become non-refundable, except in event of Seller's default or as otherwise provided herein. Notwithstanding the foregoing, if the Due Diligence Period is extended pursuant to Section 4(e)(i) herein, \$10,000.00 of the Initial Earnest Money shall be released to Seller and become non-refundable, except in the event of Seller's default of this Agreement or as otherwise expressly provided herein, and the remaining \$5,000.00 shall remain refundable pursuant to Section 4(e) herein. Further, and notwithstanding the foregoing, on the later of either (a) October 31, 2026, or (b) the date of notice of the Final Tax Credit Reservations by the Housing Agency (as defined herein), the remaining Initial Earnest Money (in an amount equal to \$15,000 in the event Buyer has not extended the Due Diligence Period pursuant to Section 4(e)(i) herein, or in an amount equal to \$5,000.00 in the event that Buyer has extended the Due Diligence Period pursuant to Section 4(e)(i) herein) shall be released to Seller and become non-refundable, except in the event of Seller's default of this Agreement or as otherwise expressly provided herein.

c. Title and Survey.

(i) If any of the title exceptions shown in a title commitment ordered by Buyer or the Survey are not satisfactory to Buyer, then Buyer may give Seller written notice of the items that Buyer finds unacceptable (the "Title Objections") on or before the date which is sixty (60) days after the Effective Date. Seller shall have fifteen (15) days after such notice from Buyer to deliver written notice to Buyer that it either agrees to cure the Title Objections prior to closing or to advise Buyer that it will not so cure the Title Objections. All Title Exceptions to which Buyer does not object shall be deemed waived and accepted by Buyer, as herein provided, and are collectively referred to as the "Permitted Exceptions". Buyer shall have the right to update the Title prior to Closing and object to any new title matters appearing after the date of Buyer's title commitment and first reflected in the updated Title in accordance with this Section until the earlier of (A) five (5) business days after Buyer's receipt of the Survey, or (B) Closing, and such new matters shall be subject to cure by Seller; provided, however, in the event that Seller reasonably determines that any such matters cannot be removed at or prior to Closing, Seller shall notify Buyer in writing, whereupon Buyer at its election, which must be exercised by written notice to Seller within ten (10) business days after receipt by Buyer of Seller's notice, may (A) extend the Closing Date for up to thirty (30) days ("Title Update Closing Date Extension"), or (B) waive all such title objections and proceed to close the transaction in accordance with the terms of this Agreement, except that (i) if such deadline is after the originally scheduled Closing Date, Closing shall be on or before the fifth (5th) business day after the last day of Buyer's deadline to respond to Seller, and in which event all such waived matters shall become Permitted Exceptions; and (ii) if Buyer exercises the Title Update Closing Date Extension and Seller fails to cure the applicable title defect(s), then Buyer may (A) terminate this Agreement and receive a complete refund of the Earnest Money or (B) waive all such title objections and proceed to close the transaction in accordance with the terms of this Agreement.

(ii) If Seller does not agree to cure one or more of the Title Objections (and Seller's failure to respond in writing shall be deemed to be a refusal to cure the Title Objections), Buyer may either (A) accept title to the Property subject to the Permitted Exceptions without a reduction in the Purchase Price, or (B) terminate this Agreement by delivering

written notice to Seller and receive a full and prompt refund of the Earnest Money, without the need for Seller's consent or signature for its release.

(iii) Notwithstanding any other provision of this Agreement to the contrary, including without limitation whether or not Buyer includes such items in its schedule of Title Objections, Seller shall have the unconditional obligation to remove, discharge, pay and/or cure, as applicable, at no cost to Buyer, all (A) title matters that are a lien for the payment of money, (B) encumbrance that can be removed by the payment of a definite sum of money, and (C) title matters that arise after the Effective Date and that Seller has not obtained Buyer's consent for, and none of such items shall be deemed Permitted Exceptions nor appear in Title Policy.

(iv) Prior to the expiration of the Due Diligence Period, Buyer shall provide the proposed Survey containing the final legal description of the Land to Seller for review and approval of the final legal description, which approval shall not be unreasonably withheld.

d. **Governmental Approvals.** Buyer may, at its option and expense, prepare and submit applications for, and seek to obtain approval by the applicable governmental authorities and/or third parties of, approvals, permits, licenses, easements and agreements required for Buyer's Use, including without limitation, those for utilities, zoning, special uses, building construction, access, platting, easements, site construction and off-site improvements (collectively, the "Governmental Approvals"), including without limitation, appropriate rezoning, if necessary. Seller shall cooperate with Buyer in connection with the preparation of the applications and seeking the Governmental Approvals, including without limitation, the timely execution and delivery of all applications, documents, plats and instruments required by the applicable governmental authorities and/or third parties, provided that Seller shall not be obligated to incur any expense in connection therewith. It is understood that no subdivision plats or other documents may be recorded of public record prior to closing without the express written consent of Seller, which consent shall not be unreasonably withheld.

e. **Extension of Due Diligence Period.**

(i) **First Extended Due Diligence Period.** Buyer may, at its option, extend the Due Diligence Period one (1) time, through 5:00 pm (EST) on October 31, 2026 (the "First Extended Due Diligence Period") by providing notice to Seller on or before the expiration of the Due Diligence Period.

(ii) **Second Extended Due Diligence Period.** Buyer may, at its option, extend the Due Diligence Period one (1) additional time, through 5:00 pm (EST) on December 31, 2026 (the "Second Extended Due Diligence Period") by providing notice to Seller on or before the expiration of the First Extended Due Diligence Period, and depositing an additional \$30,000.00 with the Escrow Agent (the "Additional Earnest Money") the later of either (a) October 31, 2026, or (b) the Final Tax Credit Reservations by the Housing Agency (as defined herein). The Additional Earnest Money shall non-refundable, except in the event of Seller's default of this Agreement or as otherwise expressly provided herein and shall be credited toward the Purchase Price at Closing.

5. **Conditions Precedent.** It shall be a condition precedent to Buyer's obligation to close this transaction and purchase the Property that all of the following are timely satisfied:

(i) Title Policy. At Closing, the Title Company shall be prepared to issue the Title Policy to Buyer with all standard or pre-printed exceptions deleted (to the extent such can be deleted), evidencing Buyer owns good and indefeasible fee simple title in and to the Property subject only to the Permitted Exceptions. In the event the Title Company will not issue a Title Policy solely due to Buyer's failure to exercise commercially reasonable efforts to obtain said policy, then this condition shall not be a condition precedent to Buyer's obligation to close.

(ii) Representations and Warranties. At Closing, all of the representations and warranties of Seller shall be true in all material respects.

(iii) No Liens. At Closing, there shall be no unpaid charges, debts, liabilities, claims or obligations of Seller related to the Property, or any portion thereof, which could give rise to any mechanics', materialmen or other statutory lien against any portion of the Property other than those that will be paid or otherwise satisfied by Seller at Closing, and possession of the Property, free of all tenancies, leases and occupants, shall be delivered to Buyer at Closing.

(iv) Sewer Connectivity. Obtain all necessary approvals and/or agreements required for sufficient sewer connectivity.

(v) Zoning. At Closing the Property shall be zoned to permit the development of the Property for its intended purpose.

(vi) Site Plan Approval. The requisite jurisdiction has approved Buyer's site plan to develop a Multi-Family apartment complex with no less than sixty (60) residential units.

Termination. Notwithstanding anything to the contrary, in the event that any condition precedent in Section 5 is not satisfied prior to the Closing Date, as set forth in Section 6 below (as may be extended), Buyer shall have the right to terminate this Agreement and receive a full and prompt refund of the Earnest Money, without the need for Seller's consent or signature for its release.

5. Closing.

a. Delivery of Documents. The conveyance of the Property and the closing of the transaction herein described (the "Closing") shall occur on or before December 31, 2025, as may be extended herein (the "Closing Date"), in such manner and/or location mutually acceptable to Buyer and Seller; provided, however, Buyer may elect to close at any time upon no less than three (3) days' prior written notice to Seller.

(i) Seller shall deliver at Closing in a form reasonably acceptable to the Buyer and the Title Company: (A) a special warranty deed conveying good, marketable and indefeasible fee simple title in and to the Property to Buyer (or its designee) (the "Deed"), (B) a quitclaim deed from Seller in recordable form conveying to Buyer title to the Survey description of the Property; (C) a lien affidavit acceptable to the Title Company; (D) an affidavit of non-foreign status; (E) any other affidavit or document reasonably required by the Title Company to delete the so-called standard exceptions to the Title Policy; and (F) such other customary documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transactions contemplated hereby and for the Title Company to issue the Title Policy in the form required by this Agreement, including closing statement, affidavits regarding compliance with South Carolina tax requirements and affidavits regarding South Carolina tax withholding.

(II) Buyer shall deliver at Closing: (A) the remaining balance of the Purchase Price as provided by this Agreement; and (B) such other documents, instruments, certifications and confirmations as may be reasonably required to fully effect and consummate the transaction contemplated hereby, including closing statement.

b. Prorations. Buyer and Seller shall prorate all Property taxes, personal property taxes and all other assessments related to the Property as of the Closing Date (collectively, the "Taxes"), with the Closing Date being treated as a day of ownership by Buyer. If any final tax bill is not available at Closing, the Taxes shall be prorated based upon the latest available tax assessment(s) for the Property. If the Property is a part of a larger tax parcel or was recently subdivided and a separate tax bill for the Property is unavailable at Closing, then the proration of the Taxes will be based upon the latest available tax bill based upon the percentage of the larger tax parcel being purchased by Buyer. If there are any improvements on the larger tax parcel that are separately valued or assessed, the value of such improvements shall be assigned to the Buyer only if such improvements are located on the Property. If any of the amounts set forth in the final bill for the Taxes are different than the amounts prorated at Closing Seller and Buyer shall agree there is no further action or payment due from either Party. Notwithstanding anything to the contrary set forth in this Agreement, Seller shall pay on or before the Closing Date all Taxes for previous tax years and all other preceding periods for which any Taxes are due or payable. This Section 5.b shall not apply to any Rollback Taxes (hereinafter defined) described in Section 5.a below. The provisions of this Section 5.b shall survive the Closing and delivery of the Deed.

c. Costs. Seller shall pay the taxes and assessments for which Seller is responsible hereunder, the cost for the preparation of the Deed, any conveyance fee or transfer tax, the cost of curing any title or survey defect that Seller agreed to cure or is obligated to cure pursuant to the terms of this Agreement, and 100% of any broker's commission or fee in accordance with Section 9.f hereof. Buyer shall pay the cost of any title examination fee or other due diligence costs (including but not limited to any survey obtained by Buyer), the cost of any endorsements or extended title insurance coverage and of any mortgagee's title coverage, the cost of preparing and/or recording all documents to be recorded other than those referred to in the preceding sentence, and any other costs related to the Closing incurred by Buyer. Except as may otherwise be stated herein, each Party shall bear its own expenses, including its own attorneys' fees.

d. Seller's Obligations Prior to Closing. At or prior to Closing, Seller shall maintain indefeasible fee simple legal title to the Property free and clear of any and all defects, liens, and encumbrances of every kind and nature (other than the Permitted Exceptions and Liens and encumbrances that will be released at Closing).

e. Rollback Taxes. If Rollback Taxes are assessed due to Buyer's acquisition and Buyer's Use of the Property, Seller shall be responsible for the payment of such Rollback Taxes.

f. Condemnation. If, prior to Closing, condemnation proceedings are commenced against any portion of the Property, Buyer shall have the right to either (i) terminate this Agreement by delivering written notice to Seller within fifteen (15) days of Buyer's receipt of written notice from Seller of such condemnation proceedings, receive a full and prompt refund of the Earnest Money, if applicable, without the need for Seller's signature or consent for its release; or (ii) elect not to terminate the Agreement and appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to Buyer and the Purchase Price will not be reduced.

g. Extension. Buyer shall have the right to extend the Closing Date two (2) times, each

for a period of three (3) months (each a "Closing Extension") by (1) providing to Seller written notice prior to the then applicable Closing Date, and (2) delivering on or before the then applicable Closing Date an extension fee in the amount of \$40,000.00 (each a "Closing Extension Fee") to the Seller. The Closing Extension Fee(s) shall (i) be non-refundable, except in the event of Seller's default of this Agreement or as otherwise expressly provided herein and (ii) be applied to the Purchase Price at Closing.

7. Defaults and Remedies.

a. **SELLER DEFAULT.** IF SELLER FAILS TO PERFORM IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT OR OTHERWISE BREACHES ANY OF THE MATERIAL TERMS, COVENANTS, AGREEMENTS, REPRESENTATION OR WARRANTIES CONTAINED IN THIS AGREEMENT, THEN (I) BUYER MAY TERMINATE THIS AGREEMENT BY DELIVERING WRITTEN NOTICE THEREOF TO SELLER, WHEREUPON ALL EARNEST MONEY AND CLOSING EXTENSION FEES DEPOSITED BY BUYER SHALL BE IMMEDIATELY REFUNDED AND RETURNED TO BUYER, WITHOUT THE NEED FOR SELLER'S CONSENT OR SIGNATURE, and (II) SELLER SHALL REIMBURSE BUYER FOR ALL ACTUAL OUT-OF-POCKET EXPENSES AND COSTS INCURRED BY BUYER IN CONNECTION WITH ITS EFFORTS TO PURCHASE THE PROPERTY, UP TO BUT NOT TO EXCEED A SUM EQUAL TO \$150,000 (One Hundred Fifty Thousand Dollars and No/100), OR (III) BUYER MAY ENFORCE THE TERMS AND CONDITIONS OF THIS AGREEMENT INCLUDING AN ACTION FOR SPECIFIC PERFORMANCE OF THIS AGREEMENT TO INCLUDE REASONABLE ATTORNEY FEES AND COSTS SHOULD IT BE THE PREVAILING PARTY. IN THE EVENT THAT BUYER SELECTS OPTION (II) PURSUANT TO THE PREVIOUS SENTENCE, THEN BUYER SHALL DELIVER TO SELLER COPIES OF ALL THIRD-PARTY REPORTS, STUDIES, SURVEYS, PLANS, DRAWINGS, ENVIRONMENTAL MATERIALS, ENGINEERING REPORTS, AND OTHER DUE DILIGENCE MATERIALS THAT ARE IN BUYER'S POSSESSION AND CONTROL, EXCLUDING ANY (1) INTERNAL MEMORANDA, UNDERWRITING, OR FINANCIAL ANALYSIS, AND (II) ATTORNEY-CLIENT OR WORK-PRODUCT MATERIALS. SUCH MATERIALS SHALL BE PROVIDED TO SELLER WITHOUT ANY REPRESENTATION OR WARRANTY BY BUYER.

b. **BUYER DEFAULT.** IF BUYER FAILS TO PERFORM IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT, OR OTHERWISE BREACHES ANY OF THE MATERIAL TERMS, COVENANTS OR AGREEMENTS CONTAINED IN THIS AGREEMENT, THEN, AS SELLER'S SOLE AND EXCLUSIVE REMEDY, SELLER MAY TERMINATE THIS AGREEMENT BY DELIVERING WRITTEN NOTICE THEREOF TO BUYER AND THE EARNEST MONEY, TO THE EXTENT THE FOREGOING HAVE BEEN PAID BY BUYER, SHALL BE FORFEITED BY BUYER AND DELIVERED TO SELLER AS LIQUIDATED DAMAGES AND NOT AS A PENALTY. SELLER ACKNOWLEDGES AND AGREES THAT THE EARNEST MONEY IS A FAIR AND EQUITABLE AMOUNT FOR SELLER TO RECEIVE, SINCE SELLER WILL HAVE CHANGED ITS POSITION IN RELIANCE ON BUYER'S COMPLETING THE TRANSACTION HEREIN DESCRIBED, WILL HAVE HELD THE PROPERTY OFF THE MARKET FOR AN EXTENDED PERIOD OF TIME IN RELIANCE UPON BUYER'S ABILITY TO CLOSE THIS TRANSACTION AND THE DAMAGES SUSTAINED BY SELLER IN SUCH CASE WOULD NOT OTHERWISE BE REASONABLY ASCERTAINABLE. SELLER WAIVES THE RIGHT TO EXERCISE ANY OTHER RIGHTS AND REMEDIES AVAILABLE TO SELLER BECAUSE OF A DEFAULT BY BUYER, AT LAW AND/OR IN EQUITY, INCLUDING WITHOUT LIMITATION, THE RIGHT TO SUE BUYER FOR ADDITIONAL DAMAGES OR SEEK SPECIFIC PERFORMANCE.

c. **Notice and Cure Period.** Buyer shall take no action with respect to a breach by Seller, and Seller shall take no action with respect to a breach by Buyer, until the non-defaulting party has given written notice to the defaulting party and the defaulting

party has failed to cure the default within ten (10) days after receipt of such notice.

8. **Seller's Representations and Warranties.** Seller represents and warrants to Buyer that:

a. **Title.** Seller is the owner of the Property pursuant to Seller's Acquisition Contract and shall have good, marketable and indefeasible fee simple title in and to the Property at Closing. If at any time prior to Closing Seller does not hold such title, Buyer shall have the right to terminate this Agreement by delivering written notice thereof to the Title Company, and Buyer will then receive a full and prompt refund of the Earnest Money and any Closing Extension Fee paid by Buyer without the need for Seller's consent or signature for its release.

b. **Authority; Enforceability.** Seller has the capacity and authority to execute this Agreement and perform its obligations under this Agreement. This Agreement constitutes a legal and valid binding obligation of Seller, enforceable against Seller in accordance with its terms. All action necessary to authorize Seller's execution (and execution by the individual executing this Agreement on behalf of Seller), delivery and performance of this Agreement has been taken and such action has not been rescinded or modified.

c. **Hazardous Substances.** To the best of the seller's actual knowledge, a) there are no and there have been no oil or gas wells (capped or uncapped) or underground storage tanks (in use or abandoned) on or about the Property; b) Neither Seller nor any prior owner or occupant of the Property has: (i) caused or permitted, and Seller has received no notice and has no knowledge of, the generation, manufacture, refinement, transportation, treatment, storage, deposit, release, salvage, installation, removal, disposal, transfer, production, burning or processing of Hazardous Substances (as hereinafter defined) on, under or about the Property; (ii) caused or permitted, and Seller has received no notice and has no knowledge of, the Release (as hereinafter defined) or existence of any Hazardous Substance on, under or affecting the Property; or (iii) caused or permitted, and Seller has received no notice and has no knowledge of, any substances or conditions on, under or affecting the Property which may support any claim or cause of action, whether by a governmental agency or any other person or entity, under any applicable federal, state or local law, rule, ordinance or regulation, including without limitation, those related to Hazardous Substances. For the purpose of this Agreement, the terms "Hazardous Substances" and "Release" shall have the same meaning as set forth in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601 et seq.; provided, however, that the definition of Hazardous Substances shall also include petroleum and related by-products, hydrocarbons, radon, asbestos, urea formaldehyde, polychlorinated biphenyl compounds and any other substance considered hazardous to humans or the environment.

d. **Leases; Options.** (i) Except for that certain lease related to a mobile home currently on the Property which can be terminated prior to Closing, there are no outstanding written or oral leases, easements and/or other types of agreement in any way affecting the Property that are not recorded in the Register of Deeds of Cherokee County, SC, (ii) no person or entity has any right with respect to all or any portion of the Property (whether by option to purchase, easement, right of first refusal, contract or otherwise) that may prevent or interfere with Buyer's taking title to, and exclusive possession of, all of the Property at Closing, and (iii) Seller shall not enter into any new lease, easement or other contract with respect to the Property during the pendency of this Agreement that is not terminable upon demand without Buyer's prior written consent, which may be given or withheld by Buyer in Buyer's sole and absolute discretion.

e. No Notices. Seller has not received any notice of, and to the best of its knowledge, there are no (i) proposed special assessments, condemnation or changes in the roads adjacent to the Property, (ii) pending public improvements that will result in any charge being levied or assessed against, or a lien being created upon, the Property; or (iii) pending or threatened eminent domain or condemnation proceedings against or involving any portion of the Property or any adjacent parcel.

f. Access. Seller has not received any notice of any existing or proposed plans to widen, modify or realign any street adjoining the Property, and the Property has full and free access to and from public highways, streets and roads. Seller has no knowledge of any pending or threatened proceeding by any governmental authority, or any other fact or condition, which would limit or result in the termination of the Property's access to and from such public highways, streets and roads.

g. INTENTIONALLY DELETED.

h. Utility District. The Property is situated in utility or other statutorily created districts providing water, sewer, drainage, or flood control facilities and services.

i. Pipelines. To the best of Seller's knowledge, there are no transportation pipelines, including without limitation, pipelines for the transportation of natural gas, natural gas liquids, synthetic gas, liquefied petroleum gas, petroleum or a petroleum product or hazardous substance, located on, under, or within the Property.

j. Owners' Association. The Property is not subject to mandatory membership in a property owners' association.

k. Litigation. There is no pending or threatened litigation, arbitration, administrative action or examination, claim or demand whatsoever relating to the Property; and no attachments, execution proceedings, liens, assignments or insolvency proceedings are pending or threatened against Seller of the Property or contemplated by Seller.

l. Performance under Leases and Service Contracts. During the pendency of this Agreement, Seller will perform its material obligations under all agreements that affect the Property.

m. Insurance. During the pendency of this Agreement, Seller shall maintain all insurance Seller was carrying on the Effective Date.

n. Exclusive Rights. In consideration of the efforts and expenses required to perform the review of the Property, both Buyer and Seller agree that neither will, either directly or indirectly, offer to sell or solicit any offers to purchase or negotiate for the sale or disposition of the Property, or contract, during the pendency of this Agreement.

o. Foreign Person. Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

Seller shall fully disclose to Buyer, immediately upon its occurrence, any change in facts, assumptions or circumstances of which Seller becomes aware prior to the Closing Date that may affect the representations and warranties set forth above. The representations and warranties of Seller contained in this Section 8 shall survive the Closing and delivery of the Deed for a period of one hundred eighty (180) days.

9. Miscellaneous.

a. **Plans and Approvals.** Buyer shall have the right to file, at Buyer's expense, any and all applications and plans necessary to obtain building permits, subdivision (or the vacation of any existing subdivision or plat) and/or any other agreement, assurance, approval or permit from any and all governmental authorities having jurisdiction over the Property that Buyer deems appropriate in connection with the intended purpose of the Property. Seller agrees to join in the execution of any application required in order to obtain any such agreement, assurance, permit or approval (or file such application individually if the relevant governmental authority shall so require). Seller further agrees to reasonably cooperate with Buyer or its nominee in all respects, including, without limitation, attending and giving favorable testimony at any hearings on the petitions or applications, meeting with and providing information to public and private utilities and governmental and quasi-governmental entities, and otherwise working to obtain the agreements, assurances, approvals and permits required by Buyer or its nominee without additional cost or obligation to Buyer or its nominee, except as to any actual and reasonable out-of-pocket fees and costs incurred by Seller, including attorney fees, provided the same are disclosed to and agreed upon by Buyer prior to being incurred.

b. **Notices and Deadline Dates.** Any notice, request, demand, instruction or other document to be given or served hereunder or under any document or instrument executed pursuant to this Agreement shall be in writing and shall be (I) delivered personally, (II) sent or by overnight express courier, postage prepaid, or (III) sent by facsimile or electronically (e-mail), provided there is proof of delivery, each addressed to the Parties at their respective addresses set forth herein, and the same shall be effective upon receipt if delivered personally, by overnight courier or by facsimile or electronically (with proof of delivery). A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith. If any deadline under this Agreement falls on a Saturday, Sunday or legal holiday (which for purposes of this Agreement shall be not be considered a "business day"), the deadline shall be extended to the next business day. For purposes of notice to Seller and Buyer, the following addresses are provided:

To Buyer: South Creek Development, LLC
PO Box 543
Summerfield, NC 27358
Attn: Charlie Heritage
Phone: 336-669-3587
Email: Charlie.heritage@southcreekdevelopment.com

With a copy via email to:

Coleman Talley LLP
Attn: Greg Clark
greg.clark@colemantalley.com
Hannah Anderson
hannah.anderson@colemantalley.com

To Sellers: TC Hampshire, LLC
3509 Pelham Rd
Greenville, SC 29615
Attn: Robert W. Lyons and Robert L. Lyons
864.590.3478 & 864.838.1888

Email: bobby@lyonsindustrial.com;
luke@lyonsindustrial.com

With a copy via email to:

c. Attorneys' Fees. In the event either Party brings an action at law or other proceeding permitted under the terms of this Agreement against the other Party in order to enforce or interpret any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Agreement or by reason of any breach or default hereunder or thereunder, the Party prevailing in any such action or proceeding shall be paid all reasonable costs and expenses, including without limitation reasonable attorneys' fees, by the non-prevailing Party.

d. Assignment; Binding Agreement. Seller may not assign this Agreement without the written consent of Buyer; however, this shall not preclude transfers or assignments of the Individual Sellers for estate planning or tax purposes, including 1031 exchanges so long as such transfers or assignments have been completed no less than thirty (30) days prior to Closing and Buyer has received prior notice thereof. Buyer may assign this Agreement to a special purpose entity affiliate controlled by Buyer without the consent of Seller, however in no event shall Buyer be relieved of its obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assignees. This Agreement constitutes the entire agreement between the Parties, and supersedes any and all prior agreements, arrangements and understanding between the Parties. This Agreement may only be amended by a written agreement executed by all of the Parties.

e. INTENTIONALLY DELETED

f. BROKERS AND COMMISSIONS. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO CONTRARY, SELLER SHALL PAY ALL BROKER FEES AND COMMISSIONS AT CLOSING DUE TO LYONS INDUSTRIAL PROPERTIES (THE "BROKER") PURSUANT TO A SEPARATE WRITTEN AGREEMENT BETWEEN SELLER AND BROKER, SUCH FEES AND COMMISSIONS EQUAL TO 3% OF THE PURCHASER PRICE. SELLER AND BUYER SHALL INDEMNIFY THE OTHER PARTY AGAINST, AND SHALL HOLD HARMLESS FROM, ANY AND ALL SUITS, CLAIMS, DEMANDS, JUDGMENTS, DAMAGES, COSTS AND EXPENSES OF OR FOR ALL SUCH BROKER FEES AND/OR COMMISSIONS, AND SHALL PAY ALL COSTS OF DEFENDING ANY ACTION OR LAWSUIT BROUGHT TO RECOVER ANY FEES OR COMMISSIONS INCURRED BY THE OTHER PARTY, INCLUDING REASONABLE ATTORNEYS' FEES. SELLER HEREBY DISCLOSES THAT ROBERT W. LYONS AND ROBERT L. LYONS, THE MEMBERS OF TC HAMPSHIRE, LLC, ARE LICENSED REAL ESTATE BROKERS IN THE STATE OF SOUTH CAROLINA.

g. Effect of Termination. This Agreement shall be void and of no further force and effect upon any proper termination under the terms hereof (other than terms herein that specifically provide that they survive the termination of this Agreement).

h. Multiple Counterparts. This Agreement may be executed in one or more counterparts, and all so executed shall constitute one and the same agreement, binding upon the Parties, and notwithstanding that all of the Parties are not signatories to the same

counterparts. Electronic scans of the signature, or the use of DocuSign® is expressly permitted, and such shall be deemed to be an original signature.

I. CHOICE OF LAW. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE UNITED STATES OF AMERICA AND THE INTERNAL LAWS OF THE STATE OF SOUTH CAROLINA, WITHOUT REGARD TO ITS CONFLICT RULES. VENUE AND JURISDICTION FOR ALL CLAIMS UNDER THIS AGREEMENT SHALL BE EXCLUSIVELY IN THE COUNTY OF CHEROKEE IN THE STATE OF SOUTH CAROLINA

J. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement, a legal, valid and enforceable provision that is as similar in terms to such illegal, invalid or unenforceable provision as is possible.

K. INDEPENDENT CONSIDERATION. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN, ONE HUNDRED AND 00/100 DOLLARS (\$100.00) OF THE DEPOSITED EARNEST MONEY SHALL BE DEEMED INDEPENDENT CONSIDERATION AND NON-REFUNDABLE AND RETAINED BY SELLER UNDER ALL CIRCUMSTANCES, FOR AND IN CONSIDERATION OF SELLER'S EXECUTION OF THIS AGREEMENT.

L. Complete Understanding. This Agreement represents the complete understanding between the Parties as to the subject matter hereof and supersedes all prior negotiations, statements and agreements, either written or oral, between the Parties. No inducements, representations, statements or agreements have been made or relied upon in the making of this Agreement, except those specifically set forth in this Agreement. Neither Party has any right to rely on any other prior or contemporaneous statements and/or agreements made by anyone concerning this Agreement that are not set forth herein.

M. Time of the Essence. Time is of the essence in the performance of each of the terms and conditions of this Agreement

N. Disclosure. The Buyer and Seller acknowledge that this Agreement shall remain confidential. However, upon request of either party, a memorandum of agreement shall be executed to acknowledge the existence, but not the contents of this Agreement. In no event shall a memorandum of agreement created pursuant to this Section 9(n) be recorded in the public records of Cherokee County, South Carolina. Notwithstanding the foregoing, Buyer and Seller shall be entitled to disclose this Agreement in full to its employees, attorneys, accountants, tax consultants, brokers, lenders, investors, any state or federal authority, or as may be required by law.

10. Tax Credit and Bond Provisions. Notwithstanding anything to the contrary set forth in this Agreement or otherwise:

a. The Parties hereby acknowledge that Buyer intends to (i) apply for, syndicate and sell certain low-income housing tax credits (whether under state or federal law, collectively, "Tax Credits") with the assistance of the appropriate housing agency of the state in which the Land is located (the "Housing Agency"); and (ii) that Buyer's obligation to purchase the Property is expressly contingent upon the award of such Tax Credits in the amount

requested; and (ii) in the event that Buyer does not receive an award of Tax Credits in the amount requested, Buyer shall have the right to terminate this Agreement by delivering written notice to Seller and, to the extent it is refundable in accordance with Section 4 herein, receive a full and prompt refund of the Earnest Money without the need for Seller's consent or signature for its release.

b. Seller Cooperation. Seller hereby agrees to reasonably assist Buyer, at Buyer's sole cost and expense, in obtaining and submitting such information as is necessary to apply for or obtain the Tax Credits and/or the Bond Financing to the extent such information is available to Seller and not to Buyer.

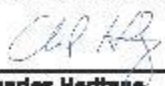
[Signatures begin on the next page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Buyer:

SOUTH CREEK DEVELOPMENT, LLC,
a North Carolina limited liability company

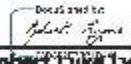
By: South Creek Ventures, LLC,
a North Carolina limited liability company
Its: Manager

By: 
Name: Charles Heritage
Its: Manager

Date: 2/10/2026

Seller:

TC HAMPSHIRE, LLC
a South Carolina limited liability company

By: 
Name: Robert Luke Lyons
Its: Managing Member

Date: 2/10/2026

EXHIBIT A

Legal Description

That certain +/- 5 acre tract located in Gaffney, Cherokee County, South Carolina at Hampshire Drive, as approximately depicted as follows:



being a portion of Parcel Identification Numbers 098-00-00-011.000, 098-00-00-020.000, and 098-00-00-021.001.

The exact legal description and acreage of the Land shall be determined by Section 1(c) herein and the Survey.

SCHEDULE 1

Schedule of Earnest Money Deposits and Closing Extension Fees

<u>Deposit Name</u>	<u>Deposit Due Date</u>	<u>Deposit Amount</u>	<u>Extended Closing Date</u>
Initial Earnest Money	Within 10 Business Days of Effective Period	\$30,000.00	N/A
Additional Earnest Money Deposit	The later of either (a) October 31, 2026; or (b) the Final Tax Credit Reservations by the Housing Agency	\$30,000.00	N/A
Closing Extension Fee #1	December 31, 2026	\$40,000.00	March 31, 2027
Closing Extension Fee #2	March 31, 2027	\$40,000.00	June 30, 2027

SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT

This SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "**Second Amendment**") is made effective as of May 13th + 4, 2026, by and between SOUTH CREEK DEVELOPMENT, LLC, a North Carolina limited liability company ("**Buyer**"), and TC Hampshire, LLC, a South Carolina limited liability company (the "**Seller**"). Seller and Buyer are sometimes hereinafter referred to collectively as the "**Parties**". Capitalized terms not defined herein shall have the meanings given to them in the Agreement (defined below).

WITNESSETH:

A. Buyer and Seller entered into that certain Purchase and Sale Agreement effective as of February 10, 2026 (the "**Original Agreement**"), whereby Seller agreed to sell and Buyer agreed to purchase certain real property, as more particularly described in the Exhibit A to the Agreement (the "**Property**");

B. Buyer and Seller entered into that certain First Amendment to Purchase and Sale Agreement effective as of April 16, 2026 (the "**First Amendment**," together with the Original Agreement, the "**Agreement**")

C. The Parties desire to amend the Agreement as further described herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Property. Section 1 of the Agreement is hereby deleted in its entirety and replaced with the following:

On the terms herein set forth, Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, a +/- 6.276 acre tract (the "**Land**"), as approximately depicted on Exhibit A, attached hereto and made a part hereof, located at Hampshire Drive, Gaffney, Cherokee County, South Carolina 29341 (a portion of Parcel ID Nos. 098-00-00-011.000, 098-00-00-020.000, and 098-00-00-021.001) together with all easements, appurtenances and rights thereunto belonging, including without limitation, all (a) right, title and interest in roads, alleys, easements, streets and rights of way bounding the Land, if any; (b) rights of ingress and egress to and from the Land (including without limitation, all right, title and interest in and to all applicable cross-access and reciprocal easements and/or agreements), and (c) oil, gas and other minerals lying on or under the Land (collectively, the "**Property**").

- a. Land Acreage and Location. The exact acreage and boundaries of the Land have been determined by a new survey of the Property purchased and coordinated

by Buyer (the "**Survey**"), which Survey has been provided to and approved by Seller.

2. Exhibit A. Exhibit A to the Agreement is hereby deleted in its entirety and replaced with Exhibit A attached hereto and incorporated herein.
3. Purchase Price. Section 2 of the Agreement is hereby deleted in its entirety and replaced with the following:

The purchase price of the Property shall be Six Hundred Sixty Nine Thousand Six Hundred Fifty and No/100 Dollars (\$669,650.00) (the "**Purchase Price**"), payable at Closing by Buyer.

4. Ratification. Except as modified by or where inconsistent with this Second Amendment, the Agreement is hereby ratified and confirmed. Where inconsistent, the terms of this Second Amendment shall supersede and take precedence over the Agreement. Capitalized terms used herein, but not otherwise defined, shall have the meanings attributed to such terms in the Agreement. The Agreement, as amended hereby, shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.
5. Terms of Agreement. Except as otherwise provided in this Second Amendment, the terms of the Agreement are not modified, altered or amended and remain in full force and effect.
6. Applicable Law. This Second Amendment shall be governed by and construed and enforced in accordance with the laws of South Carolina.
7. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which may be deemed an original and all of which taken together shall constitute one and the same agreement, and any signature page from any such counterpart or any facsimile or PDF or email thereof may be attached or appended to any other counterpart to complete a fully executed counterpart of this Second Amendment and any facsimile or PDF or email transmission of any signature shall be deemed an original and shall bind such party.

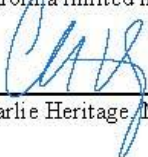
[signatures on following page]

IN WITNESS WHEREOF, Seller and Buyer have executed this Second Amendment, effective as of the date first above written.

BUYER:

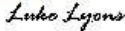
SOUTH CREEK DEVELOPMENT, LLC,
a North Carolina limited liability company

By: South Creek Ventures, LLC
a North Carolina limited liability company,
Its: Manager

By: 
Charlie Heritage, Manager

SELLER:

TC HAMPSHIRE, LLC,
a South Carolina limited liability company

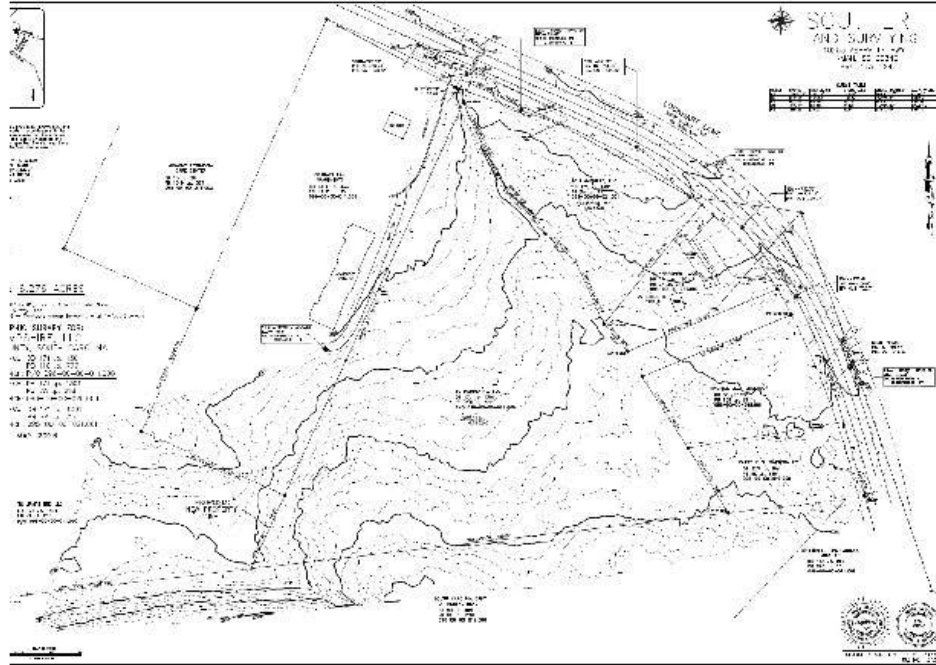
By: 
Name: Robert Luke Lyons

Its: Managing Member

Exhibit A

Legal Description

That certain +/- 6.276 acre tract located in Gaffney, Cherokee County, South Carolina at Hampshire Drive, as approximately depicted as follows:



being a portion of Parcel Identification Numbers 098-00-00-011.000, 098-00-00-020.000, and 098-00-00-021.001.

**FIRST AMENDMENT TO
PURCHASE AND SALE AGREEMENT**

This FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this “**First Amendment**”) is made effective as of APRIL 16TH, 2026, by and between **SOUTH CREEK DEVELOPMENT, LLC**, a North Carolina limited liability company (“**Buyer**”), and **TC Hampshire, LLC**, a South Carolina limited liability company (the “**Seller**”). Seller and Buyer are sometimes hereinafter referred to collectively as the “**Parties**”. Capitalized terms not defined herein shall have the meanings given to them in the Agreement (defined below).

WITNESSETH

A. Buyer and Seller entered into that certain Purchase and Sale Agreement effective as of February 10, 2026 (the “**Agreement**”), whereby Seller agreed to sell and Buyer agreed to purchase certain real property, as more particularly described in the Exhibit A to the Agreement (the “**Property**”); and

B. The Parties desire to amend the Agreement as further described herein.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Land Acreage and Location. Section 1(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

The exact acreage and boundaries of the Land shall be determined on or before May 5, 2026, and shall be determined by a new survey of the Property purchased and coordinated by Buyer (the “**Survey**”).

2. Ratification. Except as modified by or where inconsistent with this First Amendment, the Agreement is hereby ratified and confirmed. Where inconsistent, the terms of this First Amendment shall supersede and take precedence over the Agreement. Capitalized terms used herein, but not otherwise defined, shall have the meanings attributed to such terms in the Agreement. The Agreement, as amended hereby, shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.
3. Terms of Agreement. Except as otherwise provided in this First Amendment, the terms of the Agreement are not modified, altered or amended and remain in full force and effect.
4. Applicable Law. This First Amendment shall be governed by and construed and enforced in accordance with the laws of South Carolina.
5. Counterparts. This First Amendment may be executed in any number of counterparts, each of which may be deemed an original and all of which taken together shall constitute one and the same agreement; and any signature page from any such counterpart or any facsimile or PDF or email thereof may be attached or appended to any other counterpart to complete

a fully executed counterpart of this First Amendment and any facsimile or PDF or email transmission of any signature shall be deemed an original and shall bind such party.

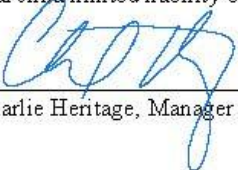
[signatures on following page]

IN WITNESS WHEREOF, Seller and Buyer have executed this First Amendment, effective as of the date first above written.

BUYER:

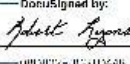
SOUTH CREEK DEVELOPMENT, LLC,
a North Carolina limited liability company

By: South Creek Ventures, LLC
a North Carolina limited liability company,
Its: Manager

By: 
Charlie Heritage, Manager

SELLER:

TC HAMPSHIRE, LLC,
a South Carolina limited liability company

By: 
Name: Robert Luke Lyons
Its: Managing Member