



May 11, 2026

Jon Toppen
Tapestry Development Group, Inc.
Decatur, GA

Re: Commitments for Ownership Interest in Marshall Landing located in Greenwood, SC.

Dear Mr. Toppen

Thank you for providing Cabretta Capital Corporation ("Cabretta Capital") the opportunity to submit a proposal for Cabretta Marshall Landing, LLC (the "State Investor"), an entity managed by Cabretta Capital, to acquire an ownership interest in Marshall Landing (the "Project"). This letter serves as our mutual understanding of the business terms regarding the acquisition of a one tenth of a percent (.01%) ownership interests in Marshall Landing Senior, LP (entity name TBD) (the "Partnership"), an allocation of 100% of the remaining South Carolina State Low Income Housing Credits (the "State Credits"), and an allocation of (.01%) of the remaining Federal Low Income Housing Credits (the "Federal Credits") generated from the Partnership's development of the Project. "*Exclusivity*," and "*Governing Law*" provisions below shall be legally binding on and enforceable against each party. Should the terms of this Conditional Commitment be acceptable to you, appropriate documentation setting forth the terms and conditions shall be prepared for review and approval by the parties, including, but not limited to, the Company's operating agreement.

Please be advised that this letter represents a proposal of terms and conditions and may be subject to change, additional terms and/or conditions.

Project:

The project will consist of 51 units which will be occupied in compliance and in accordance with the low-income tax housing tax credit ("LIHTC") requirements under Section 42 of the Internal Revenue Code.

Anticipated Annual Credits:

It is anticipated that the Project will receive 9% State LIHTC credits in the approximate amount of \$1,100,000 annually (the "Projected Credits").

Anticipated First Year Credits:

It is anticipated that the Project will receive State LIHTCs of \$450,000 in 2028 and \$213,000 in 2038

Partnership:

The Partnership is a South Carolina limited liability company, licensed to transact business in the State of South Carolina and its ownership structure is as follows:

Managing Member ("GP"):

TBD (0.01%)

Federal Investor Limited Partner ("Federal Investor"):

TBD (99.98%)

State Investor Limited Partner ("State Investor"):
Cabretta Marshall Landing, LLC (.01%)

In addition to the GP, the Federal Investor, and the State Investor, the other parties that will be associated with and participate in the Project but will not have an ownership interest in the Partnership are as follows:

Developer:
Tapestry Development Group, Inc.

Guarantors
Any entities required by the federal investor.

State Investor Capital Contributions:

The State Investor's ownership interest in the Partnership will be acquired for a total capital contribution of \$5,061,080 based on \$0.46 (\$5,060,000) times 100% the state credit and \$0.80 (\$1,080) times .01% the federal credits. This will be paid in installments based on an installment schedule when certain timing and other requirements of the State Investor are met by the Partnership.

State Investor Capital Contribution Installment Schedule:

15% at Closing (Estimated 6/1/27)
50% at 100% Construction Completion
35% at Permanent Loan Conversion

Adjusters:

The Limited Partnership and other project documents will provide for certain adjustments to the State Investor's Capital Contributions should the actual amount and/or timing of the allocation of the actual earned credits ("Earned Credits") differ from the amount and/or timing of the allocation of the Projected Credits (the "Adjusters"). The Adjusters will mirror the Federal Investor in the same proportion to their respective equity investments.

General Partner and Guarantors Obligations:

The GP and Guarantors are responsible for items listed below in this section. Guarantees will follow all applicable regulations that may apply to non-profit General Partners.

Construction:

The Company will guarantee construction completion in accordance with approved plans and specifications and will pay for any construction costs, repayment of all construction financing and costs necessary to fund reserves.

Operating Deficits:

Cabretta Capital defers to the federal investor on operating deficit guarantees. Cabretta will mirror the federal investor's requirements.

LIHTC Shortfall or Recapture Event:

To the extent not already addressed by the adjusters, if the actual amount of credits for any year is less than Projected Credits, the GP will guarantee payment to the partnership of an amount equal to the shortfall or recapture amount unless such shortfall or recapture is due to the actions or inactions of the investor, a change of law or inability to claim the credits in the event the IRS or SC Housing challenges all or a portion of the transactional structure of the Partnership.

Call Option:

See exhibit

Put Option:

See exhibit

Environmental Indemnity:

The company will indemnify the State Investor against any losses or cost due to environmental conditions at the Project.

Developer Fee:

The GP will guarantee payment of any developer fee remaining unpaid at the end of the LIHTC compliance period consistent with the federal investor timing.

Guarantors:

The Guarantors will guarantee all the GP's obligations.

In addition to the guarantees listed in this Paragraph the GP and Guarantors will make customary representations and warranties with respect to the Project, the Partnership. Moreover, any indemnities and representations and warranties made to the Federal Investor shall also be made to the State Investor, and the State Investor shall make no representations and warranties that are not made by the Federal Investor.

Reserves:

The following reserves are required by the State Investor to be maintained by the Partnership in the manner described herein below.

Operating Reserves:

An operating reserve in an amount to be determined by the federal investor will be established and maintained by the GP.

Replacement Reserves:

The Partnership will maintain a replacement reserve and make contributions on an annual basis in the amount required by the permanent lender and/or federal investor.

Rent Reserves:

The GP may establish a lease-up reserve as required by the federal investor and/or the South Carolina Department of Community Affairs

Re-Tenancy Reserve:

The GP may establish a Re-Tenancy Reserve required by the Federal Investor and/or the South Carolina Department of Community Affairs.

State Investor Asset Management Fee:

The State Investor shall be paid a \$3,500 annual state asset management fee beginning on the date on which the project is placed in service for purposes of Section 42 of the Code and shall be prorated based on the number of full months that the project was in service for the fiscal year in which it is placed in service. This fee shall be paid from Net Cash Flow after the close of the year for which services were rendered. This fee shall not escalate and shall be paid pari passu with the Federal Investor asset management fee.

State Investor Legal:

State Investor legal fees associated with closing, anticipated to be \$30,000, shall be submitted by the state limited partner at closing for reimbursement.

Tax Benefits and Distributions:

Tax Benefits:

Tax profits, tax losses, and federal tax credits will be allocated .01% to the State Investor. The State Credit Limited Partner will be allocated 100% of the state credits.

Distributions upon Sale, Liquidation or Refinance:

5% to the State Investor.

Legal Opinions:

The GP's counsel will deliver to State Investor a local law opinion satisfactory to State Investor and in the similar or same form as provided to the Federal Investor. Additionally, the State Investor shall receive a copy of the opinion provided to the Federal Investor.

Notices, Reports, Submissions and Partnership Information:

The State Investor shall be provided with copies of all project information (including but not limited to, project reports, notices and construction draws), at the same time as such information is provided to the Federal Investor.

General Contractor:

The General Contractor will be licensed to do such work in the State of the Project and have a track record for successful completion of similar projects that is satisfactory to the State Investor.

Property Manager:

The State Investor requires that the Property Manager be able to demonstrate sufficient experience in managing properties subject to LIHTC compliance standards, and the State Investor reserves the right to contact the Project Manager.

Insurance:

The State Investor shall be given notice of cancellation of any insurance policy, whether property or liability. For property insurance policies, the State Investor shall be named as either additional insured or loss payee, if the Federal Investor is so named. For liability insurance, the State Investor shall be named as additional insured.

Pledge of Ownership Interest:

The State Investor's ownership interest in the Partnership may be assigned, transferred, pledged or encumbered to the State Investor's (or any of its members') lender (the "State Lender") without the consent of the GP or any other limited partner. The State Lender shall have a security interest in the State Investor's interest (which may be junior to the partnership's security interest). The State Lender shall be accepted as a substitute limited partner in the event it forecloses on its security interest. The obligation of the assigning State Investor to make its Capital Contribution shall not be released in the case of an assignment.

Unanticipated Gross Income or Gain:

If there is any unanticipated gross income or gain that arises from a subsequent characterization of a tax reporting position of the Partnership with respect to the allocation of the State LIHTC credits to the State Investor, then all such gross income or gain shall be allocated to the General Partner in the Partnership.

Removal of General Partner:

If the Federal Investor elects to remove the GP, the State Investor shall be provided notice of the impending removal and the grounds therefore.

Due Diligence Period:

This proposal is subject to the State Investor's satisfaction with its due diligence review, at its sole and absolute discretion. The due diligence review period will commence upon the award of the LIHTC credits from the Department of Community Affairs. The GP will cooperate with the State Investor to provide the necessary information to conduct its due diligence, including but not limited to, all site control, Project, and GP information.

Exclusivity:

Cabretta anticipates incurring expenses and foregoing other opportunities while finalizing an agreement for the Project. Cabretta is willing to do so with the understanding that upon execution of this Term Sheet: (i) the Company, the Guarantor and their respective representatives and agents shall end any and all discussions or agreements with any other party regarding state tax credit equity for the Project, and shall not entertain any such discussions for a period of 120 days from the date of this letter; (ii) all information and materials received by each party to this Conditional Commitment are to be kept confidential; and (iii) the parties hereto shall negotiate in good faith to close this transaction on or before June 1st, 2027. By executing this Term Sheet, the Company and Guarantor agree to each of these terms and conditions, as well as to the terms and conditions set forth above regarding closing costs.

Governing Law:

This Agreement and all claims and controversies hereunder shall be governed by and construed in accordance with the internal laws of the State of South Carolina, without regard to the choice of law provisions thereof.

If the foregoing is in accordance with your understanding of the terms and conditions, please indicate your acceptance by signing the signature block below and return it to the undersigned at your earliest convenience.

Sincerely,



Brent Watts, President
Cabretta Capital Corporation



By: _____

Name: Jonathan R. Toppen

Its: President