

ROGERS LEWIS



May 14, 2026

South Carolina State Housing Finance and Development Authority
300-C Outlet Point Blvd.
Columbia, South Carolina 29210

RE: South Carolina Abandoned Building Tax Credits
1771 St. Matthews Road, Orangeburg, SC – Riverbend Trace

Ladies and Gentlemen:

We have been asked to provide you with our opinion with respect to the availability to Riverbend Trace, LLC, a South Carolina limited liability company (the “Project Owner”) of the abandoned building tax credit (the “AB Credit”) described in the “South Carolina Abandoned Buildings Revitalization Act,” (the “Act”) Section 12-67-100, et seq., of the 1976 Code of Laws of South Carolina, as amended (the “SC Code”), arising out of the rehabilitation (the “Project”) of the real property located at 1771 St. Matthews Road, Orangeburg, South Carolina (the “Property”).

I. Summary of the Transaction

The Property contains two buildings, one of which is intended to qualify for AB Credits as an abandoned building, in Orangeburg, South Carolina (the “Building”). Based on information provided by the Project Owner, the Building was previously used as rental property. The Project includes the redevelopment and conversion of the existing Building into a Low-Income Housing Tax Credit Multi-Family Residential Development containing a total of 60 Affordable Housing Units with onsite amenities. The rehabilitation of the Property will be completed by the Project Owner.

As described in the Affidavit of the current owner of the Property, Victoria Moorner, the Building has been at least sixty-six percent (66%) vacant since at least December 31, 2017 and remains so this time.

Rehabilitation of the Building will begin in 2027. The Project Owner anticipates receiving a certificate of occupancy for the Building on or before December 31, 2028. Assuming the certificate of occupancy is received as expected, the Project will be placed in service for purposes of the AB Credits in 2028.

II. Documents

We have reviewed and relied upon the following documents (the “Documents”) in connection with this opinion.

1. Affidavit of Victoria Moorer certifying that the Building has been at least sixty-six percent (66%) vacant since at least December 31, 2017 and remains so this time (the “Vacancy Affidavit”).

We have assumed the authenticity of original documents, the accuracy of copies, the genuineness of signatures and the capacity and authority of each party executing a document to so execute such document. Moreover, we have assumed the absence of adverse facts not apparent from the faces of the instruments and documents we have examined. We also have assumed, without independent verification or investigation, that (i) we have been provided with true, correct and complete copies of all such documents, (ii) none of such documents has been amended or modified, (iii) all such documents are in full force and effect in accordance with the terms thereof, (iv) there are no other documents which affect the opinions hereinafter set forth, and (v) the documents reviewed by us reflect the entire agreement of the parties thereto with respect to the subject matter thereof.

III. Assumptions

In rendering our opinions, we have relied upon the material assumptions set forth in this Part III, in addition to assumptions otherwise specifically stated herein, based on representations, advice and information which has been made available to us, and we have made no independent determination of their reasonableness. The material assumptions set forth in this Part III upon which we are relying are as follows:

1. The Project Owner will properly file a Notice of Intent to Rehabilitate (the “Notice of Intent”) setting forth the estimated rehabilitation expenses for the Project (the “Estimated Rehabilitation Expenses”) in accordance with Sections 12-67-120(7) and 12-67-140(B)(1) of the SC Code prior to incurring its first rehabilitation expenses for the Project.

2. The actual rehabilitation expenses incurred by the Project Owner for the Project will be at least 80% of the Estimated Rehabilitation Expenses in the Notice of Intent.

3. The Project Owner will obtain a certification (the “AB Certification”) of the abandoned building site from the municipality or the county where the Building is located in accordance with Section 12-67-160 of the SC Code.

4. All third-party expenditures incurred by the Project Owner in the rehabilitation of the Project and all non-third-party fees paid by the Project Owner with respect to such rehabilitation and the method of payment thereof, are reasonable and appropriate to the conduct of the Project and the services rendered.

5. The Project Owner will timely file all appropriate tax returns with respect to the AB Credits.

6. The Project Owner will incur the costs associated with the Project, and the Project will be used as described above.

7. The factual statements (including, but not limited to, the information set forth in the “Summary of the Transaction”), assumptions and representations contained in this opinion and in the Documents examined by us that are referenced above are true and accurate.

8. There are no facts, documents or agreements that alter, modify or change in any way the validity of the assumptions and information contained herein.

9. The Project Owner will include a copy of the AB Certification with the filing of the first South Carolina tax return for which the AB Credit is claimed.

IV. Opinions

Based upon and subject to the foregoing, we are of the following opinions as of the date hereof, all of which are qualified in their entirety by the foregoing and by the assumptions, qualifications and limitations set forth in this opinion letter:

1. The Building is a “building site” as that term is defined in Section 12-67-120(2) of the SC Code.

2. Upon proper filing of the Notice of Intent and completion of construction, the Project should qualify for the AB Credit set forth in Section 12-67-140 of the SC Code.

V. Discussion

Qualification for the AB Credit

A taxpayer who rehabilitates an abandoned building is eligible for an AB Credit against South Carolina income taxes, South Carolina corporate license fees taxes, or South Carolina insurance premium taxes, 25% of actual rehabilitation expenses incurred if the actual rehabilitation expenses are at least 80% of the estimated rehabilitation expenses set forth in the Notice of Intent. If the actual rehabilitation expenses are more than 125% of the estimated rehabilitation expenses set forth in the Notice of Intent, the AB Credit is determined based on 125% of the estimated rehabilitation expenses as opposed to the actual rehabilitation expenses incurred. Section 12-67-

140(B)(2) of the SC Code. The entire AB Credit earned may not exceed \$700,000 in a tax year for each abandoned building site. Section 12-67-140(B)(3)(b) of the SC Code.

Year of Credit

The AB Credit becomes available in the year that the building site is placed in service, but must be taken in equal installments over a three (3) year period beginning with the year in which the property is placed in service. Section 12-67-140(B)(3)(a) of the SC Code. “Placed in Service” means the date upon which the eligible site is suitable for occupancy for the purposes intended. Section 12-67-120(5) of the SC Code.

Abandonment Requirement

Pursuant to Section 12-67-120(1) of the SC Code, a building or structure (or each unit of a subdivided building) is deemed to be abandoned when at least sixty-six percent (66%) of the space therein has been continuously closed to business or otherwise nonoperational for income-producing purposes for at least a five (5) year period immediately preceding the date that the Notice of Intent to Rehabilitate is filed.

Certification of Abandoned Building Site

Pursuant to Section 12-67-160 of the SC Code, the taxpayer may apply to the municipality or county in which the abandoned building is located for a certification of the abandoned building site made by ordinance or binding resolution of the governing body of the municipality or county. Such certification must include findings that the (1) abandoned building site was an abandoned building as defined in Section 12-67-120(1); and (2) geographic area of the abandoned building site is consistent with Section 12-67-120(2). The taxpayer may conclusively rely upon the certification in determining the credit allowed; provided, however that if the taxpayer is relying on the certification, the taxpayer must include a copy of the certification on the first return for which the credit is claimed.

Claiming the AB Credits

The AB Credits are claimed on South Carolina Department of Revenue Form TC-55, “Abandoned Buildings Revitalization Credit.” **Pursuant to Section 12-67-160(C), in order to rely on the AB Certification, a copy of the AB Certification must be attached to the first return for which the credit is claimed.**

The opinions contained herein represent our legal judgment and are based upon the facts and assumptions set forth above and upon existing law and currently applicable rules, regulations and court decisions, which are subject to change either prospectively or retrospectively, and are in no way binding on any jurisdiction, court or government. Accordingly, the opinions contained herein are limited to the specific opinions set forth above, and we undertake no responsibility to update our opinion because of subsequent changes in applicable facts, assumptions, laws, rules, regulations or court decisions.

In reaching our conclusions, we have relied solely upon the facts, background, circumstances and, or, assumptions set forth herein for the purposes of the opinion. If there is a material difference between the facts, background, circumstances and, or, assumptions set forth herein and the actual facts and circumstances, the opinions expressed herein may not accurately describe the federal income tax consequences relating to the transactions described herein, and to that extent, the opinion may not be relied upon.

We will not prepare or review the Project Owner's income tax or information returns. Such returns are usually prepared by independent accountants, and the Project Owner and its accountants will make a number of decisions on tax matters in connection with the preparation of such returns not subject to our review.

This opinion letter has not been prepared in compliance with either Section 10.33 of U.S. Treasury Department Circular 230 or American Bar Association Formal Opinion No. 346 (revised) dated January 29, 1982, and, therefore, it is not intended to be used in any offering material or used in connection with any sales promotion efforts, and is directed solely to the Addressee and to no other person or party. As a consequence, only the Addressee may rely upon the opinions expressed herein. No other person or entity may rely on these opinions for any purpose, and this letter (or the opinions contained in this letter) may not be delivered to any other person or quoted, published, reproduced or otherwise used in any manner, in whole or in part, without our prior written consent.

Sincerely,

ROGERS LEWIS GROUP, LLC

Christian L. Rogers

Christian L. Rogers
Member