



May 4, 2026

Trinity Development
Herbert B. Ivison
1437 Old Square Road Ste. 201
Jackson, MS 39211

RE: Construction and Permanent Financing Commitment
USDA RHS 538 GRRHP Construction and Permanent Loan for the project known as
Knollwood Apartments

Dear Mr. Ivison

Predicated upon the information that Bellwether Enterprise Real Estate Capital, LLC (Bellwether Enterprise) has received for the proposed 52-unit affordable (9% LIHTC) multifamily housing development, Knollwood Apartments, located in Fort Mill, South Carolina, we are pleased to offer you a Financing Commitment to provide the Construction and Permanent financing. Bellwether Enterprise would utilize the USDA RHS 538 Guaranteed Rural Rental Housing Program (GRRHP) for Acquisition/Substantial Rehabilitation of Multifamily/Senior Housing Guaranteed Loan program. Bellwether Enterprise is a nationwide USDA RHS lender, with staff experienced in the 538 GRRHP loan program.

We have performed an initial underwriting and sizing of this project, but Bellwether Enterprise will need to receive additional documentation and information in order to fully underwrite the proposed transaction in accordance with the RHS 538 GRRHP Handbook 1-3565 and 7 CFR Part 3565 statutory, regulatory and administrative requirements. The loan terms and requirements are subject to the loan product of the USDA RHS 538 GRRHP, the supporting Notice of Solicitation of Applications (NOSA), and at the Lender's sole discretion determined during our final underwriting. An Engagement Letter between the proposed Borrowing Entity and Bellwether Enterprise will set forth the understanding and agreement concerning the preparation and filing by Bellwether Enterprise of an application to obtain a Conditional Commitment from the USDA RHS and the NOSA to insure the loan for the subject development.

The subject community in Fort Mill, South Carolina is eligible for the USDA RHS 538 GRRHP loan program. Furthermore, Bellwether Enterprise feels that this loan would be a perfect candidate for the USDA RHS 538 GRRHP insured loan program as follows:

- The location of the project is 822 Archie Street, Fort Mill, SC 29715
- The number of units is proposed at 52 affordable LIHTC units, Multifamily Housing.
- The estimated Loan-to-Development Cost is 25.07%.
- The estimated Debt Service Coverage in year one is 1.21.
- The loan will be in the 1st lien position.
- The loan would be fully non-recourse.

- The loan would be fully assumable subject to Bellwether Enterprise and Rural Development approval.
- The proposed mortgage amount is \$3,750,000. The actual mortgage amount would be determined by Bellwether Enterprise and the Rural Development Guarantee Commitment underwriting.
- The estimated interest rate is 6.35%. The rate will vary with market conditions, and Bellwether Enterprise cannot “lock” the rate until a Conditional Commitment is issued by Bellwether Enterprise and the Rural Development.
- The proposed construction loan term is up to 2-years with month payments of interest only, and a proposed permanent loan term of 38 years and amortization over 40-years with monthly payments of principal and interest, or as otherwise set out in the USDA Rural Development Conditional Commitment.

The general fees, charges, and reserves of the USDA RHS 538 GRRHP and Bellwether Enterprise are as follows:

- Construction Contingency: Minimum of 2% of Construction Costs. Established at closing and must be funded in cash with funds other than the USDA RHS 538 GRRHP.
- Operating and Maintenance Reserve: Minimum of 2% of the Loan Amount. Established at closing and must be funded in cash with funds other than the USDA RHS 538 GRRHP. ***Unless otherwise waived by Rural Development for existing 515 properties.***
- Lease-up/Conversion Reserve: Minimum of 3-months of underwritten operation expenses (including annual Replacement Reserve Deposits and RHS Annual Guarantee Fee) and debt service. Must be funded approximately 30-days prior to the issuance of the first Certificate of Occupancy. ***Unless otherwise waived by Rural Development for existing 515 properties.***
- The total Financing Fees payable to Bellwether Enterprise at closing is the greater of \$106,500 or 2.90% of the loan amount.
- Bellwether Enterprise also requires payment in advance, unless otherwise agreed to terms by Bellwether Enterprise, for the engagement of certain third-party contractors (Environmental, Appraisal and Market evaluations, Needs Assessment, and other reports as may be required for the processing of your loan). Bellwether Enterprise will only contract with qualified contractors and will negotiate the lowest possible fees for their services.
- All costs and expenses incurred in connection with this project shall be paid by the Borrower, including, but not limited to, recording, title expenses, survey costs, third party construction inspector estimated at \$300 per inspection/draw, Borrower legal expense, and Bellwether Enterprise legal expense estimated at \$25,000. These expenses are allowable costs and can be included in mortgage proceeds.

We are excited about the opportunity to work with you on the Kemper Communities multifamily housing project located in scatter sites in Scooba, Mississippi, and appreciate you choosing Bellwether Enterprise. If you have any questions, or need additional information, please call me at (216) 870-9935 or e-mail me at bob.morton@bwe.com.

Sincerely,

A handwritten signature in dark ink that reads "Robert Morton". The signature is fluid and cursive, with the first name "Robert" and last name "Morton" clearly distinguishable.

Robert Morton
Senior Vice President
Director of RHS Programs
Bellwether Enterprise Real Estate Capital, LLC