**APPRAISAL OF**

**KNOLLWOOD APARTMENTS**
**A 51-UNIT APARTMENT DEVELOPMENT**
**LOCATED AT 822 ARCHIE STREET**
**FORT MILL, SOUTH CAROLINA**

**FOR**

**MR. HERBERT (TREY) IVISON**
**TRINITY DEVELOPMENT**

**DATED**

**APRIL 9, 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

April 24, 2026

Mr. Herbert (Trey) Ivison
Trinity Development
PO Box 12980
Jackson, MS 39211

RE: Appraisal of:
Knollwood Apartments
A 51-Unit Apartment Property
822 Archie Street
Fort Mill, SC 29715

Dear Mr. Ivison:

In accordance with your request, I have visited the above referenced property located at 822 Archie Street, in the Town of Fort Mill, York County, South Carolina, and have made the requisite investigation to estimate the Market Value "As Is" of the leased fee estate of the subject property, based on the current restricted rents, including Interest Credit Subsidy Value, as of the date of my last visit, April 9, 2026. I have also made the requisite investigation to estimate the Market Value of the leased fee estate of the subject apartment property, based on market rents and assuming stabilized occupancy, as of the date of my last visit, April 9, 2026. The site value is also estimated in this report. Market Value and Market Value "As Is," are defined in the attached report. This appraisal report is presented in a narrative format.

Based on my investigation, analysis, and conclusions, an opinion has been formed that the Market Value "As Is" of the leased fee estate of the subject property, based on the current restricted rents and including Interest Credit Subsidy Value, as of April 9, 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:

**ONE MILLION THREE HUNDRED SEVEN THOUSAND DOLLARS**
**$1,307,000**

**This value includes $342,000 in Interest Credit Subsidy Value**

Further, an opinion has been formed that the Market Value of the leased fee estate of the subject property, based on market rents and assuming stabilized occupancy, as of April 9, 2026, subject to the General and Underlying Assumptions and Hypothetical and General Limiting Conditions was:

**FOUR MILLION FOUR HUNDRED NINETY THOUSAND DOLLARS**
**$4,490,000**

Of the preceding values estimated for the subject property, **$950,000** is allocated to the land.

Of the preceding values estimated for the subject property, **-0-** is allocated to personal property.

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

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,

Franklin B. Sewell, MAI
Digitally signed by Franklin B. Sewell, MAI
Date: 2026.04.24 14:53:16 -04'00'

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

26006
Enc.




**SUBJECT PROPERTY**



**TYPICAL SUBJECT BUILDING**



**TYPICAL SUBJECT BUILDING**



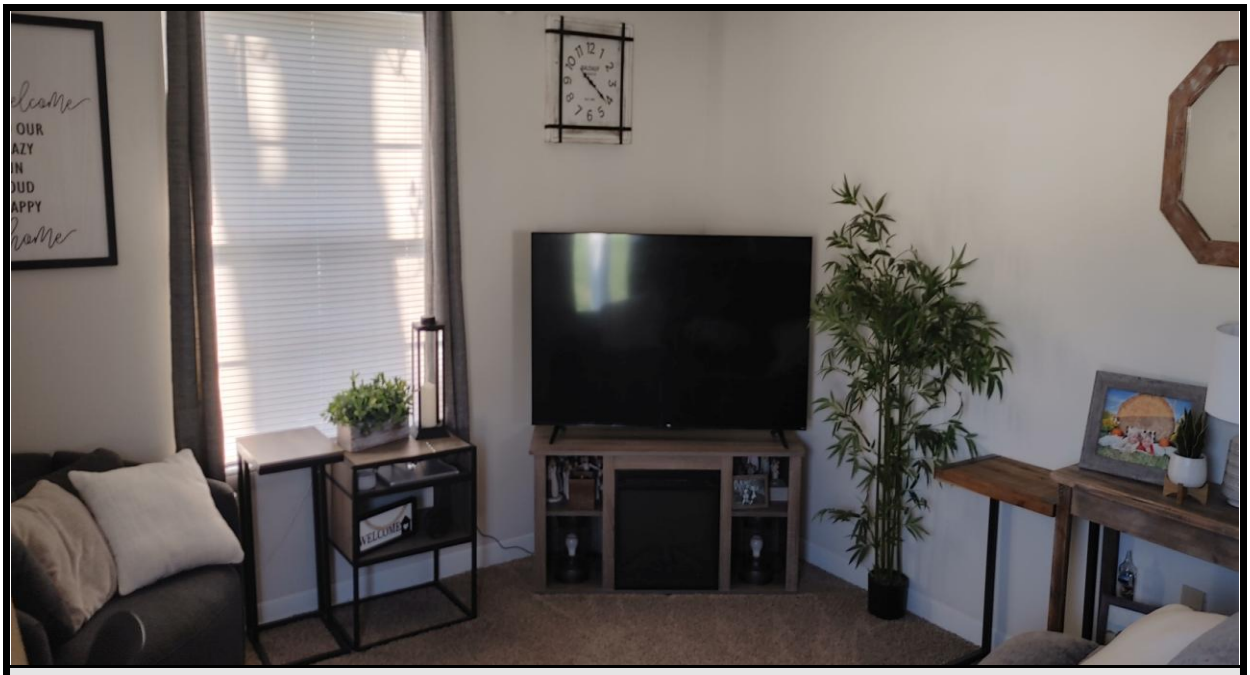
**TYPICAL SUBJECT BUILDING**



**OFFICE UNIT**



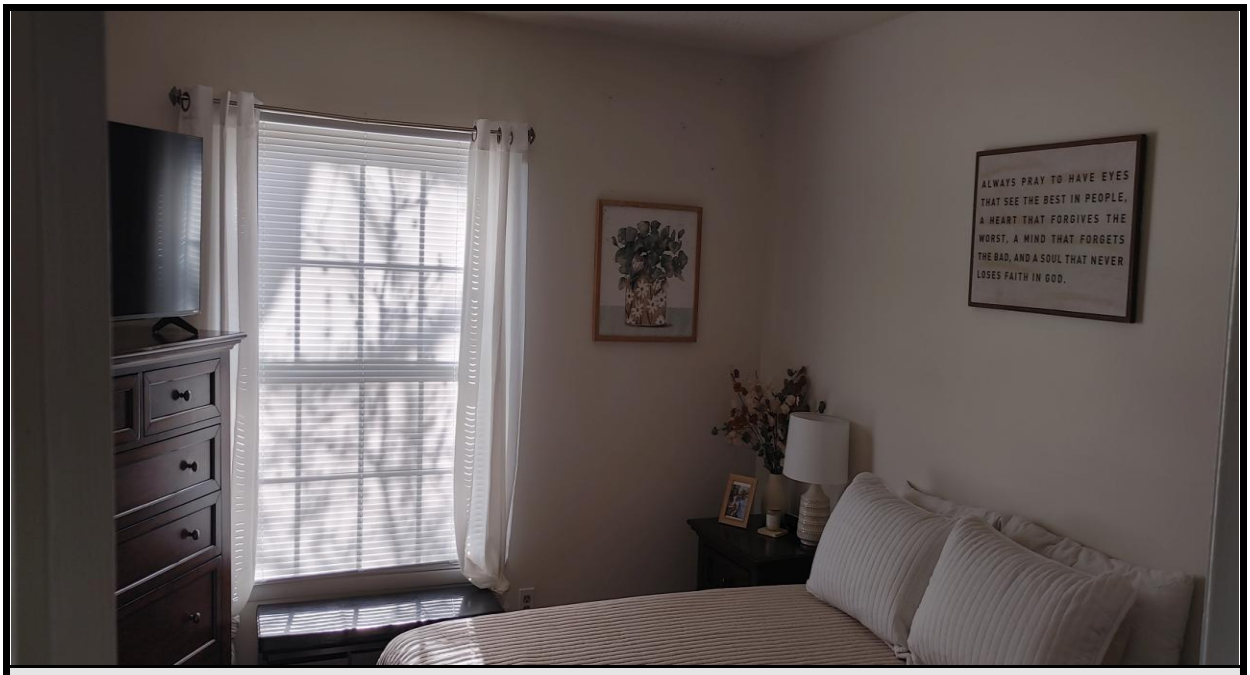
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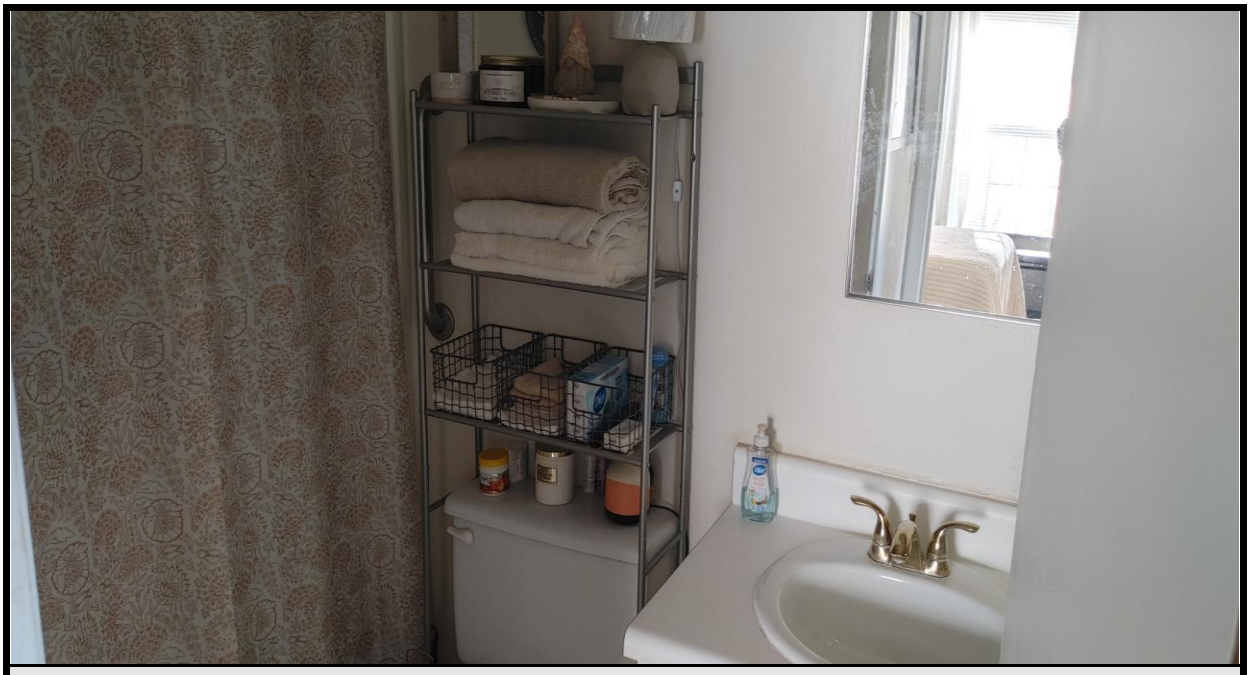
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**TYPICAL INTERIOR**



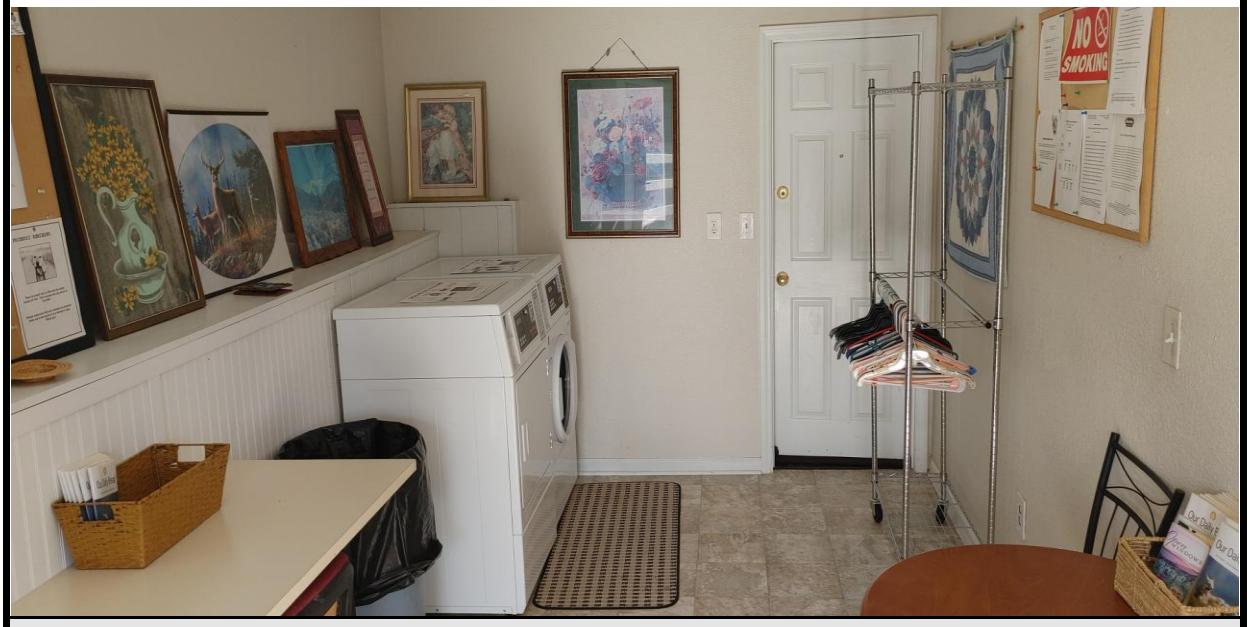

**TYPICAL INTERIOR**



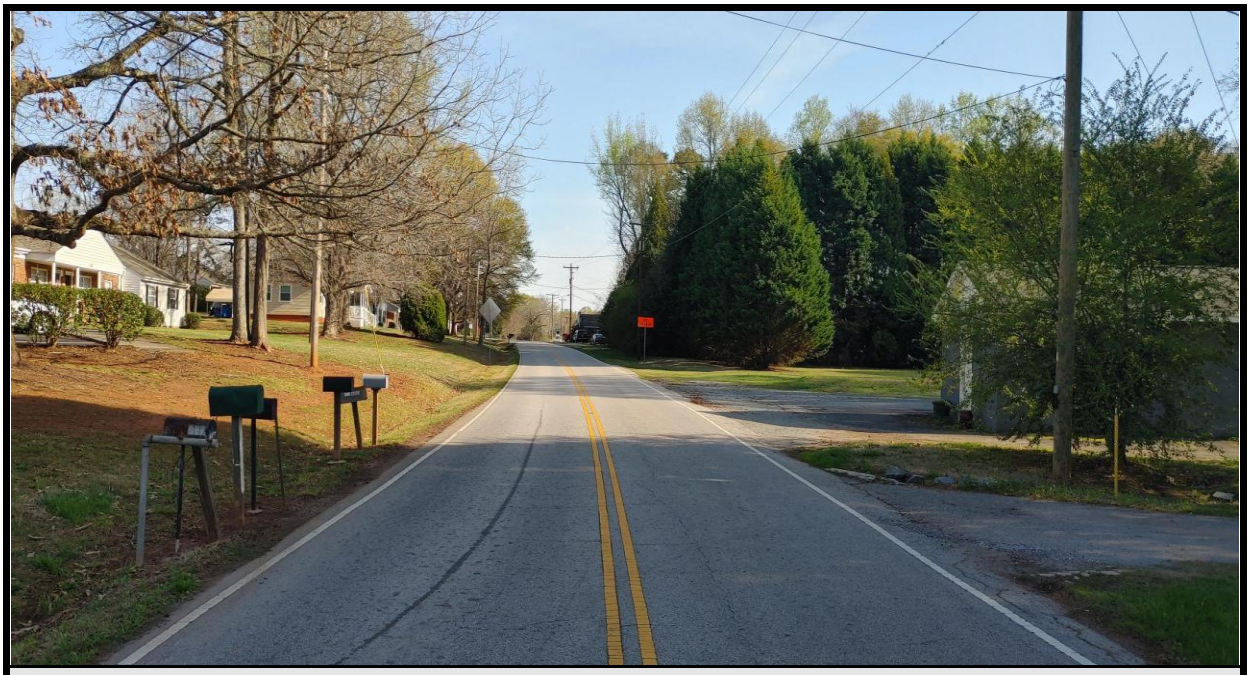
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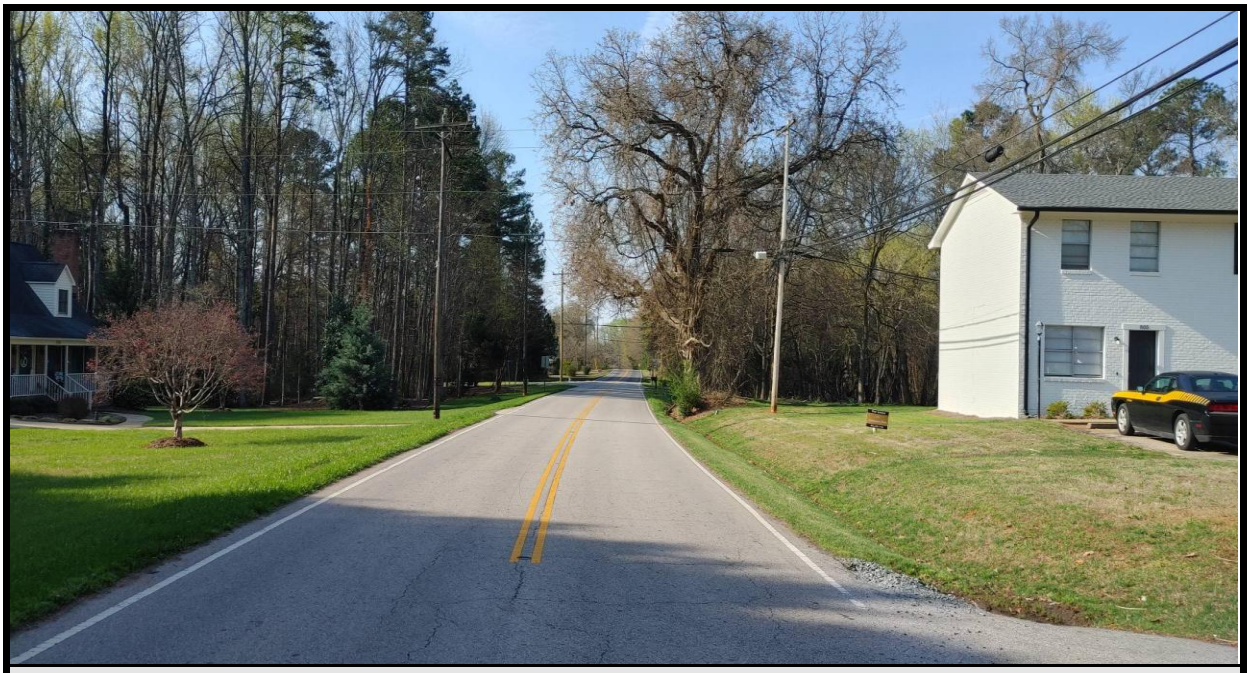
**OFFICE UNIT INTERIOR**



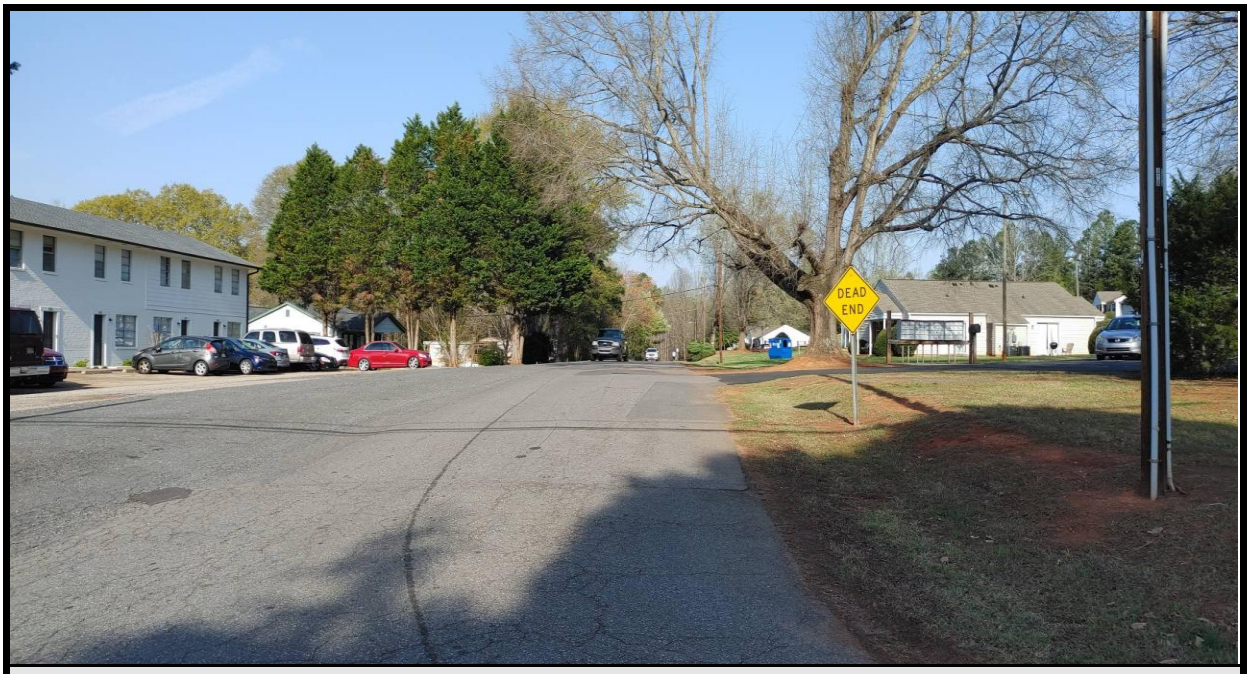

**OFFICE UNIT INTERIOR**



**BANKS ROAD FACING SOUTHWEST**



**BANKS ROAD FACING NORTHEAST**




**ARCHIE STREET FACING NORTHWEST**

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## CERTIFICATION OF THE APPRAISER

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 are limited only by the reported assumptions and limiting conditions, is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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, inconformity 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 persons signing this report.
- 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.
- 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 have not performed any prior services regarding the subject property as an appraiser, or in any other capacity, within the three-year period immediately preceding acceptance of this appraisal assignment.

The appraiser hereby certifies that Gold Bug Realty, LLC was engaged to appraise the Market Value "As Is" of the leased fee estate of the following real property, based on current restricted rents, including Interest Credit Subsidy Value, as of the date of my last visit to the property, April 9, 2026:

Knollwood Apartments
A 51-Unit Apartment Property
822 Archie Street
Fort Mill, SC 29349

The Market Value of the leased fee estate of the subject property, based on market rents and assuming stabilized occupancy, as of April 9, 2026, is also estimated in this report. The site value is also estimated in this report and allocations between site value and improvement values are included.

Based on my investigation, analysis, and conclusions, an opinion has been formed that the Market Value "As Is" of the leased fee estate of the subject property, based on the current restricted rents and including Interest Credit Subsidy value, as of April 9, 2026, subject to the Extraordinary and General and Underlying Assumptions and General Limiting Conditions, was:

**ONE MILLION THREE HUNDRED SEVEN THOUSAND DOLLARS**
**$1,307,000**

**This value includes $342,000 in Interest Credit Subsidy Value**

Further, an opinion has been formed that the Market Value of the leased fee estate of the subject property, based on market rents and assuming stabilized occupancy, as of April 9, 2026, subject to the General and Underlying Assumptions and Hypothetical and General Limiting Conditions was:

**FOUR MILLION FOUR HUNDRED NINETY THOUSAND DOLLARS**
**$4,490,000**

Of the preceding values estimated for the subject property, **$950,000** is allocated to the land.

Of the preceding values estimated for the subject property, **-0-** is allocated to personal property.

Franklin B. Sewell, MAI
Digitally signed by
Franklin B. Sewell, MAI
Date: 2026.04.24 14:54:47
-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 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 material, gasses, or toxic substances may affect the value of the property and in this appraisal the value estimate is predicted 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.

Unless otherwise noted in the appraisal report, the estimated Market Value does not include any personal property, fixtures or other non-real estate items.

This appraisal is subject to an **extraordinary assumption**. As part of the purchase agreement, the existing USDA loans will be assumed by the new borrower and consolidated and restated under new rates and terms at closing. The client was unable to provide the terms of the new USDA loan, other than the outstanding balance. As such, I have estimated the terms, interest, and note rates based on my work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct.

## HYPOTHETICAL & 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 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 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.

This report is also made subject to one **hypothetical condition**. The subject property is currently a restricted rent property; however, the estimated value of the leased fee estate, based on market rents, was made under the hypothetical condition that the subject property is operating as a market rate property at stabilized occupancy.

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: | Restricted Rent Apartment Property |
| Property Location: | 822 Archie Street, Fort Mill, SC |
| Tax Map Numbers: | 0200601061 and 0200601062 |
| County: | York |
| Census Tract: | 611.03 |
| Date of the Value Estimates: | April 9, 2026 |
| Date of Report: | April 24, 2026 |
| Property Rights Appraised: | Leased Fee Estate |
| Owner of Record: | Knollwood, LP |
| Site Data: | 6.56 Acres (285,754 S.F.) |
| Improvement Data: | (6) Efficiency, (10) One-Bedroom Units, (31) Two-Bedroom Units & (4) Three-Bedroom Units; Total of (51) Units in (14) buildings; 35,552 Rentable S.F. and 782 S.F. Management Office Unit |
| Flood Zones: | X, AE Panel 45091C0327F (05-16-17) |
| Zoning: | GR, Residential District |
| Highest and Best Use - Apartment Site: | "As Though Vacant" – Multifamily Development |
| | "As Is" - Existing Use |
| Market Value Apartment Property "As Is" (Restricted Rents): | $1,307,000 (Including Interest Credit Subsidy) |
| Interest Credit Subsidy Value: | $ 342,000 |

## SUMMARY OF SALIENT FACTS AND CONCLUSIONS (CONT.)

| | |
|---|---|
| Market Value Apartment Property (Market Rents): | $4,490,000 |
| Land Value: | $ 950,000 |

## IDENTIFICATION AND HISTORY

The subject property is located at 822 Archie Street in the Town of Fort Mill, York County, South Carolina. The property is owned by Knollwood, LP, having been acquired from Donald A. Campbell, Jr. on January 4, 1979, by deed recorded in the York County Register of Deeds office in Book 585, at page 830.

The 51-unit Knollwood Apartments can be identified on the York County Assessor's Map as Tax Map Numbers 0200601061 and 0200601062. The improvements were constructed in 1979/1980 and operate as an affordable housing community in conformance with Section 515(b) of the National Housing Act of 1949, as amended, which provides for interest and rent subsidies. The Project is regulated by USDA Rural Development "USDA RD" as to rent charges, operating methods, and partner distributions.

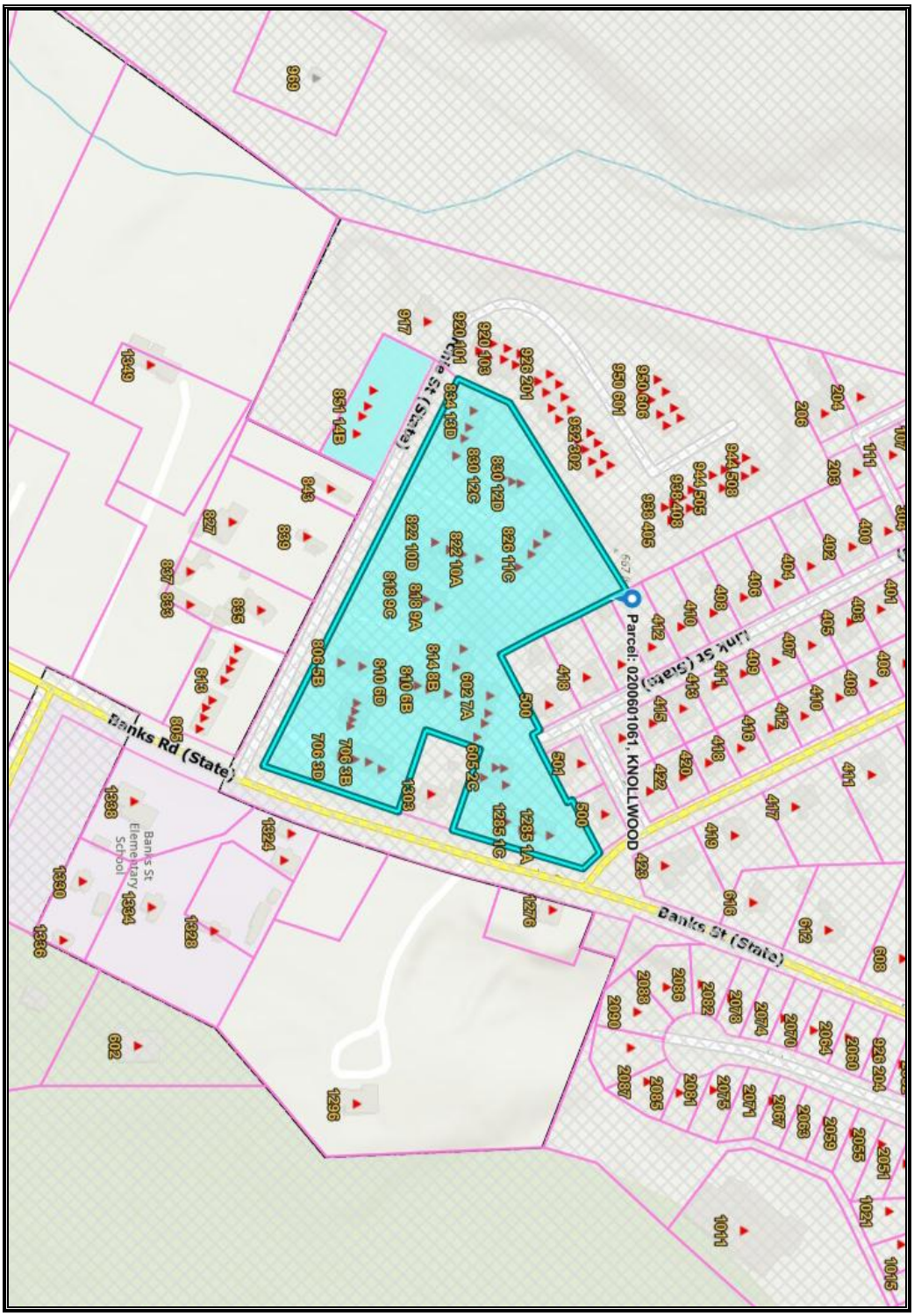
I was provided with a Purchase and Sell Agreement in which Knollwood Apartments, LP is to transfer all partnership interests (GP and LP) and related assets to Mustang GP Holdings, LLC (GP interests) and Mustang Limited Partners, LLC (LP interests). The agreement is dated February 9, 2026. The stated consideration is $300,000. The buyer will be assuming the existing USDA loans on the property. The combined USDA loan balance as of the effective date of this appraisal is estimated at $668,631; however, the loan balance will be lower based upon the actual closing date due to continued payments. The buyer has estimated closing in one year, and the estimated loan balance on April 1, 2027 is $595,899. In addition, existing cash reserves will transfer with the property. Based upon the current operating budget, the cash reserves at the time of sale are estimated at $151,410. After adding the loan balance and deducting the cash reserves, the effective sale price is estimated at $744,489. This is well below the value indications in this report of $965,000 before adding the interest credit subsidy value and $1,307,000 with the interest credit subsidy value. It should be noted that due to reamortization, the interest credit subsidy provides significantly more value to the buyer. The subject property was not listed for sale at the time of contract ratification. The buyer indicated that he identified the subject property as a potential investment and reached out to the owner about possibly purchasing the property and was able to negotiate the sale, therefore the property did not receive typical market exposure.

The buyer is applying for Low Income Housing Tax Credits (LIHTC) from the South Carolina State Housing Finance & Development Authority. A copy of the most recent referenced deed, containing a legal description of the subject property and the referenced contract can be found in the Addenda as Addendum A. Documents summarizing the USDA loan balance can be found in the Addenda as Addendum B.

## OWNER OF RECORD

The subject property is currently owned by Knollwood, LP.

## SUBJECT PARCEL MAP



## PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to estimate the Market Value of the leased fee estate of the subject apartment property, based on market rents and assuming stabilized occupancy. The purpose also includes estimating the Market Value "As Is" of the leased fee estate of the subject apartment property, based on the current restricted rents, taking into consideration the unique aspects of below-market financing, federal subsidies and/or LIHTCs in this value estimate. The site value of the subject property is also estimated in this report and the indicated values are allocated between site and improvements. The value of the Interest Credit Subsidy is included in the restricted rent valuation and is allocated along with the site and improvement values.

## 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 Trinity Development, 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.

## DATE OF THE VALUE ESTIMATES

April 9, 2026

## DATE OF THE REPORT

April 24, 2026

## PROPERTY RIGHTS APPRAISED

The subject property is appraised in the leased fee estate which is, "the ownership interest held by the lessor, which includes the right to the contract rent specified in the lease plus the reversionary right when the lease expires."[1]

[1] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

## 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:** The estimate of the market value of property in its current physical condition, use, and zoning as of the appraisal date.[2]

[2] The Dictionary of Real Estate Appraisal, Seventh Edition, Appraisal Institute, Chicago, Illinois, 2022

## SCOPE OF THE APPRAISAL

The appraisal problem is to estimate the Market Value of the leased fee estate of the subject property, based on market rents and assuming stabilized occupancy. The appraisal problem also includes estimating the Market Value "As Is" of the leased fee estate of the subject property, based on the current restricted rents and including the Interest Credit Subsidy Value. The site value of the subject property is also estimated in this report. This appraisal report is in a narrative format.

The subject property can be identified as the Knollwood Apartments, which is a 51-unit apartment property located at 822 Archie Street, in the Town of Fort Mill, York County, South Carolina. The subject property was visited by Franklin B. Sewell, MAI, with the initial visit on March 14, 2026 and the last visit occurring on April 9, 2026.

To estimate these values, I have completed the appraisal process which includes the collection, confirmation, analysis, and reporting of market data. The geographical area studied was the Region 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
- A partial set of building plans
- Copy of the operating statements and a rent roll provided by the property manager
- Recorded deeds and plats found in the York County ROD Office and other county offices
- Real estate professionals involved in the sale, management, and appraisal of properties comparable to the subject property
- Employees and publications of state and local government agencies (tax assessors, zoning officials, Chamber of Commerce, and so on)
- Data sources such as CoStar, Datacomp, Compstak, RPR, and Mountainseed Analytics

This information was confirmed when possible and analyzed to derive area and neighborhood trends in land values, absorption rates, growth rates, and so on. The Market Value based on market rents, is estimated in the Income and Sales Comparison Approaches to Value. The value indications are then reconciled to arrive at a final estimate of the Market Value, based upon market rents.

The Market Value "As Is," based on current restricted rents, is estimated in the Income Approach to Value. The Sales Comparison Approach was omitted in the restricted rent scenario as sales of similarly restricted properties are scarce and each asset carries unique property-specific factors—such as distinct rent restrictions, compliance timelines, and regulatory agreements—and the level of detail needed to analyze these differences is rarely available. The subject improvements are approximately 46 years old. Due to the age of the improvements, the Cost Approach to Value would not be relevant and has been omitted from this report. The site value is estimated by the Sales Comparison Approach to Value.

# REGION ANALYSIS

## Location

The subject property is located in the Town of Fort Mill, York County, South Carolina. York County is situated in the north-central portion of South Carolina, about 75 miles north of Columbia, South Carolina. York County is 231 miles east of Atlanta, Georgia. The City of Rock Hill is approximately 25 miles south of the City of Charlotte, NC. York County is bounded on the east by Mecklenburg County in North Carolina and Lancaster County, on the south by Chester County, on the west by Union County and Cherokee County, and the north by North Carolina.

The Charlotte metropolitan area (also Metrolina, Charlotte Metro, or Charlotte USA) is a metropolitan area/region of North and South Carolina within and surrounding the city of Charlotte. Located in the Piedmont of the Southeastern United States, the Charlotte metropolitan area is well known for its auto racing history (especially NASCAR). The region is headquarters to eight Fortune 500 and seven Fortune 1000 companies including Bank of America, Duke Energy, Nucor Steel, and Lowe's Home Improvement Stores. Additional headquarters include Harris Teeter, Food Lion, Cheerwine, and Sundrop. It is home to one of the world's busiest airports, Charlotte Douglas International Airport, and is also the Carolinas' largest manufacturing region.

York County is part of the Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area (MSA), defined as seven counties in North Carolina and three counties in South Carolina. The boundaries were changed in February of 2013 and more counties were added. The Charlotte MSA is the largest in the Carolinas, and the fifth largest metropolitan area in the Southeastern region of the United States behind Miami, Atlanta, Washington, D.C., and Tampa. Charlotte is the 17$^{th}$ largest city and 22$^{nd}$ largest metro area in the United States. Charlotte is the 2$^{nd}$ largest city in the Southeast.

The Charlotte-Concord Combined Statistical Area (CSA) is a regional population area including parts of North Carolina and South Carolina. The aforementioned MSA is the only metropolitan area (as defined since 2012) included in the CSA, but there are two included micropolitan areas: Albemarle and Shelby. There are nine municipalities within York County: Clover, Fort Mill, Hickory Grove, McConnells, Rock Hill, Sharon, Smyrna, Tega Cay, and York. The largest municipality in York County is Rock Hill. The county seat is the Town of York, located in the center of the county.

## History

York County was established in 1785 and has a land area of 684 square miles. The Catawba Indians, the only surviving native American tribe in South Carolina, made their home in York County for many years. At one time, 30,000 Catawbas lived in the area. The oldest artifact dates to about 600 A.D.

The county was named by Scotch-Irish from Pennsylvania to honor York County, Pennsylvania. The Scotch-Irish settlers began arriving in the 1750s and 1760s. Both settlers and Catawbas used the ancient Nation Ford Road, which dates back to at least 1650, to travel and trade from Pennsylvania to Charles Towne (now Charleston, SC). The area long had an economy based heavily on the textile industry.

**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 daily temperature in York County in January, the coldest month, is 40.2 degrees Fahrenheit. The average daily temperature in July, the hottest month, is 81 degrees Fahrenheit. The average annual daily temperature is 60 degrees Fahrenheit. The mean annual precipitation is 47 inches. The elevation of York County ranges from about 500' to 1,200' above MSL.

**Population**

The 2024 population of the Charlotte-Concord CSA was 3,471,190 according to the Census estimates. The population in York County was estimated at 303,001 in 2024, up from 281,912 in 2020 and from 226,046 in 2010. This represents an increase of 2.4% per year since 2010. The 2023 population of Rock Hill is 75,654, up from 74,416 in 2020 and 66,154 in 2010. Following is a summary of population for York County:

**YORK COUNTY**

| YEAR | POPULATION |
|---|---|
| 1990 | 131,497 |
| 2000 | 164,614 |
| 2010 | 226,046 |
| 2020 | 281,912 |
| 2024 | 303,001 |

Source: US Bureau of the Census

**Education**

Located in Rock Hill is the campus of Winthrop University, founded in 1886. Clinton Junior College is a two-year college located in Rock Hill. York Technical College is also located in Rock Hill. UNC-Charlotte, USC-Lancaster, and Limestone College in Gaffney, SC are all within a one-hour drive. York County has four school districts.

**Medical Facilities**

The 268-bed Piedmont Healthcare System Hospital is located in Rock Hill. Carolina Surgical Center is an outpatient surgical center located in Rock Hill. The Piedmont West Urgent Care center is located in the western part of York County. The county health department is located in Rock Hill. There are also numerous hospitals and medical facilities throughout the region and in nearby Charlotte, North Carolina.

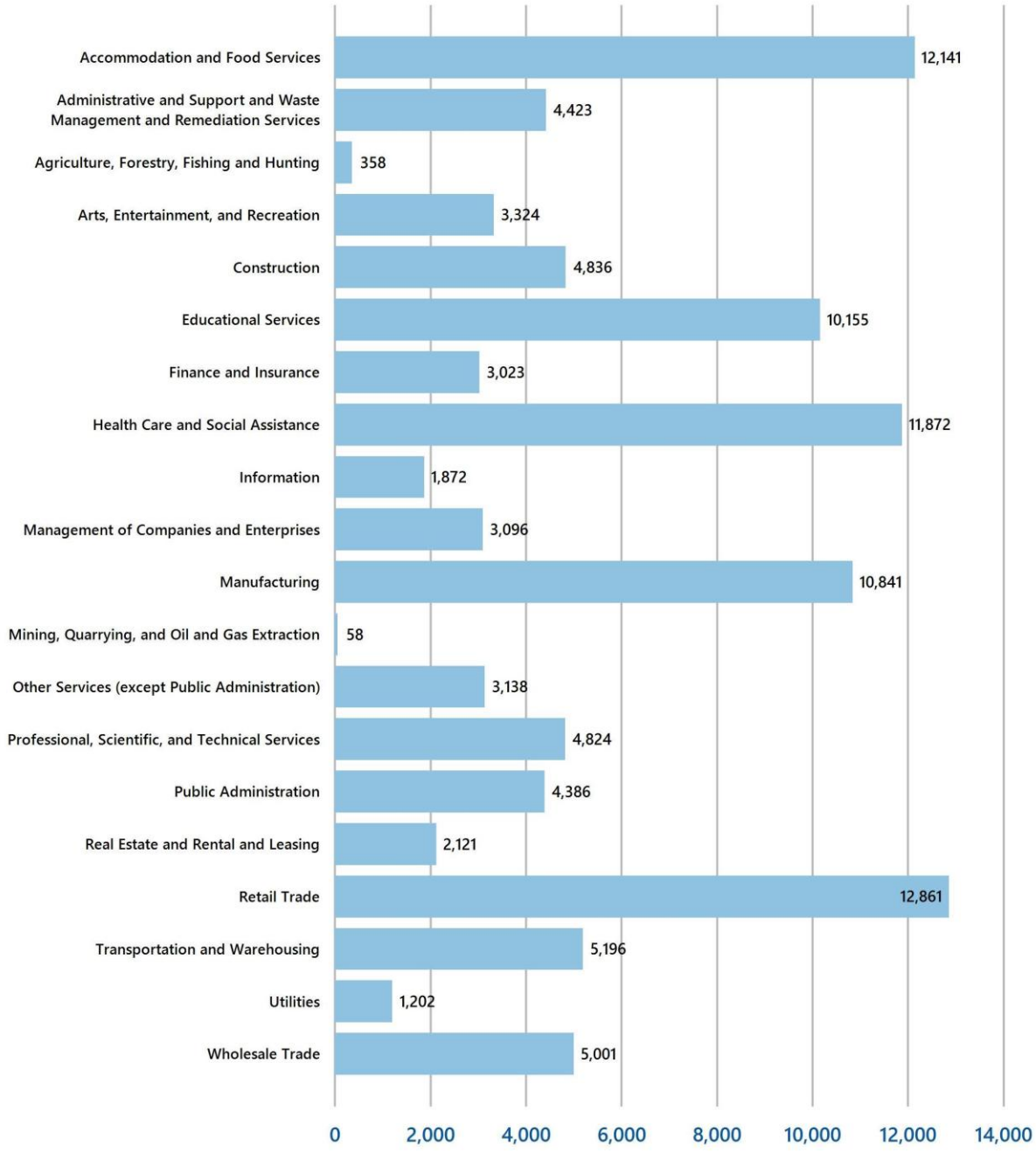
**Utilities**

Electric power is supplied in York County by Duke Power, York Electric Cooperative, Inc., and the City of Rock Hill. Natural gas is supplied by York County Natural Gas Authority. Four municipal water systems serve York County. AT&T, Comporium Communications, and Fort Mill Telephone Company provide local telephone service and there are many long-distance carriers in the area.

**Economic Profile**

The Charlotte-Gastonia-Rock Hill MSA residents are principally employed in services and the wholesale/retail trade sectors. Charlotte has become a major banking center, the second largest in the nation, and a major insurance center. York County residents are principally employed in Accommodation and Food Service, Retail Trade, Health Care and Social Assistance. About 36% of the work force commutes out of state due to the proximity to Charlotte. The 2023 median household income for York County was $83,060. The 2023 per capita personal income for York County was $43,442. On the following page is a summary of employment by industry.

## EMPLOYMENT BY INDUSTRY




*Source: SC Department of Employment & Workforce*
*Quarterly Census of Employment and Wages (QCEW)*

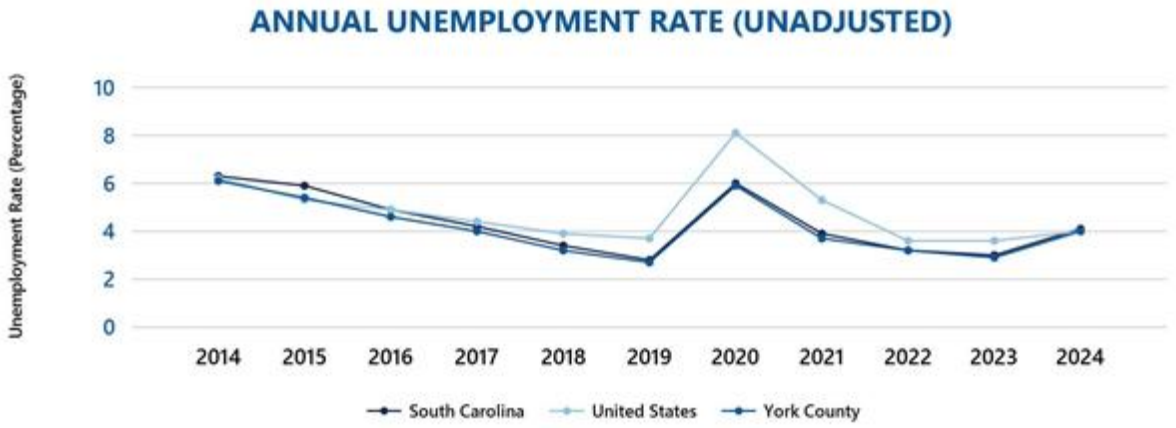
Following is a list of the top 20 employers in York County:

## 20 LARGEST EMPLOYERS

| |
|---|
| 7 ELEVEN INC |
| AMISUB OF SOUTH CAROLINA INC |
| BANK OF AMERICA NATIONAL ASSOCIATIO |
| CITY OF ROCK HILL |
| CLOVER SCHOOL DISTRICT NO 2 |
| COMPORIUM INC |
| CONTINENTAL TIRE NORTH AMERICA INC |
| COUNTY OF YORK |
| FOOD LION LLC |
| FORT MILL SCHOOL DISTRICT NO 4 |
| LPL Financial LLC |
| MERITOR HEAVY VEHICLE SYSTEMS LLC |
| ROCK HILL SCHOOL DISTRICT NO 3 |
| ROSS DRESS FOR LESS |
| SCHAEFFLER GROUP USA INC |
| SOUTH CAROLINA CVS PHARMACY LLC |
| SUNBELT RENTALS INCORPORATED |
| UPPER PALMETTO YMCA |
| Wal-Mart Associates, Inc. |
| WINTHROP UNIVERSITY |

*Source: SC Department of Employment & Workforce*

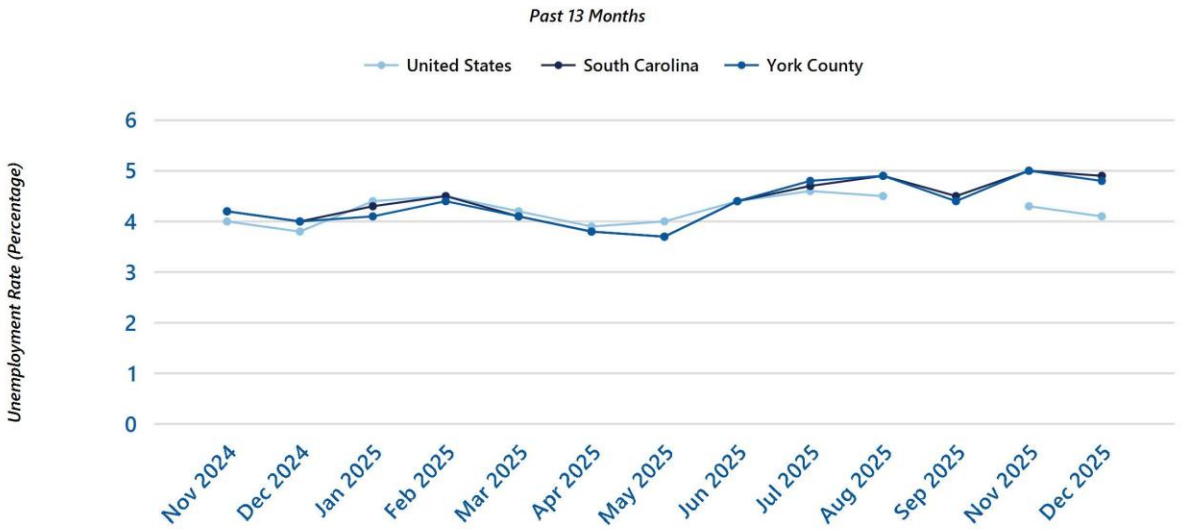
As of December 2025, the unemployment rate for York County was 4.8%, as compared to 4.9% for the state and 4.1% for the nation. Following page are a summary of the unemployment rate for the county, the state, and the US annually from 2014 to 2024 and from November 2024 to December 2025.




| | YORK COUNTY | | | SOUTH CAROLINA | | | UNITED STATES | | |
|---|---|---|---|---|---|---|---|---|---|
| Year | Employment | Unemp. | Rate | Employment | Unemp. | Rate | Employment | Unemp. | Rate |
| 2024 | 148,164 | 6,224 | 4.0% | 2,430,453 | 105,178 | 4.1% | 161,346,000 | 6,761,000 | 4.0% |
| 2023 | 146,836 | 4,392 | 2.9% | 2,401,212 | 74,248 | 3.0% | 161,037,000 | 6,080,000 | 3.6% |
| 2022 | 143,097 | 4,658 | 3.2% | 2,330,548 | 77,339 | 3.2% | 158,291,000 | 5,996,000 | 3.6% |
| 2021 | 139,088 | 5,285 | 3.7% | 2,272,940 | 92,676 | 3.9% | 152,581,000 | 8,623,000 | 5.3% |
| 2020 | 133,653 | 8,391 | 5.9% | 2,201,090 | 140,613 | 6.0% | 147,795,000 | 12,947,000 | 8.1% |
| 2019 | 133,634 | 3,720 | 2.7% | 2,263,682 | 64,405 | 2.8% | 157,538,000 | 6,001,000 | 3.7% |
| 2018 | 127,966 | 4,255 | 3.2% | 2,206,821 | 76,542 | 3.4% | 155,761,000 | 6,314,000 | 3.9% |
| 2017 | 124,647 | 5,137 | 4.0% | 2,168,104 | 94,845 | 4.2% | 153,337,000 | 6,982,000 | 4.4% |
| 2016 | 121,070 | 5,788 | 4.6% | 2,145,584 | 110,199 | 4.9% | 151,436,000 | 7,751,000 | 4.9% |
| 2015 | 118,319 | 6,788 | 5.4% | 2,108,786 | 132,281 | 5.9% | 148,834,000 | 8,296,000 | 5.3% |
| 2014 | 114,036 | 7,451 | 6.1% | 2,063,369 | 138,475 | 6.3% | 146,305,000 | 9,617,000 | 6.2% |

*Source: SC Department of Employment & Workforce*

## MONTHLY UNEMPLOYMENT RATE




| Period | YORK COUNTY | SOUTH CAROLINA | UNITED STATES |
|---|---|---|---|
| Dec 2025 | 4.8% | 4.9% | 4.1% |
| Nov 2025 | 5.0% | 5.0% | 4.3% |
| Sep 2025 | 4.4% | 4.5% | % |
| Aug 2025 | 4.9% | 4.9% | 4.5% |
| Jul 2025 | 4.8% | 4.7% | 4.6% |
| Jun 2025 | 4.4% | 4.4% | 4.4% |
| May 2025 | 3.7% | 3.7% | 4.0% |
| Apr 2025 | 3.8% | 3.8% | 3.9% |
| Mar 2025 | 4.1% | 4.1% | 4.2% |
| Feb 2025 | 4.4% | 4.5% | 4.5% |
| Jan 2025 | 4.1% | 4.3% | 4.4% |
| Dec 2024 | 4.0% | 4.0% | 3.8% |
| Nov 2024 | 4.2% | 4.2% | 4.0% |

*Source: DEW LMI/BLS - Local Area Unemployment Statistics*

The total labor market in York County is currently estimated at 158,459. This number is projected to increase by 13.3% to 179,471 in 2032. The industry with the largest projected increase is Transportation and Warehousing, with a 48.3% projected increase.

## LABOR MARKET PROJECTIONS

*Total Employment by Industry*

| | 2022 | 2032 | | | |
|---|---|---|---|---|---|
| | Estimated Employment | Projected Employment | Change | Percent Change | Annual Percent |
| Total All Industries | 158,459 | 179,471 | 21,012 | 13.26% | 1.25% |
| Retail Trade | 17,568 | 19,504 | 1,936 | 11.02% | 1.05% |
| Manufacturing | 17,437 | 18,702 | 1,265 | 7.25% | 0.70% |
| Health Care and Social Assistance | 14,050 | 17,227 | 3,177 | 22.61% | 2.06% |
| Accommodation and Food Services | 13,951 | 14,702 | 751 | 5.38% | 0.53% |
| Educational Services | 12,688 | 13,732 | 1,044 | 8.23% | 0.79% |
| Professional, Scientific, and Technical Services | 8,911 | 10,142 | 1,231 | 13.81% | 1.30% |
| Administrative and Support and Waste Management and Remediat | 8,059 | 9,022 | 963 | 11.95% | 1.14% |
| Other Services (except Government) | 7,713 | 8,244 | 531 | 6.88% | 0.67% |
| Wholesale Trade | 6,995 | 7,497 | 502 | 7.18% | 0.70% |
| Management of Companies and Enterprises | 6,855 | 9,541 | 2,686 | 39.18% | 3.36% |
| Construction | 6,544 | 6,698 | 154 | 2.35% | 0.23% |
| Finance and Insurance | 6,284 | 7,546 | 1,262 | 20.08% | 1.85% |
| Transportation and Warehousing | 6,017 | 8,925 | 2,908 | 48.33% | 4.02% |
| Information | 3,035 | 3,647 | 612 | 20.16% | 1.85% |
| Real Estate and Rental and Leasing | 2,258 | 2,689 | 431 | 19.09% | 1.76% |
| Arts, Entertainment, and Recreation | 2,155 | 2,441 | 286 | 13.27% | 1.25% |
| Utilities | 1,140 | 1,184 | 44 | 3.86% | 0.38% |
| Agriculture, Forestry, Fishing and Hunting | 912 | 915 | 3 | 0.33% | 0.03% |
| Mining, Quarrying, and Oil and Gas Extraction | 693 | 797 | 104 | 15.01% | 1.41% |

*Source: SC Department of Employment & Workforce - Industry Projections*

According to Berkadia's most recent *Multifamily Market Forecast*, Charlotte is rapidly expanding by attracting people with job opportunities, affordability, and amenities to boost housing demand. As the largest metro in the Carolinas, it aligns with national trends favoring the South, growing by 50,000 residents annually since 2020. The demographic tailwinds helped the local job market outpace the national average in four of the last five years, adding 26,500 net new jobs last year and expecting 14,600 more in 2026. As the nation's second-largest banking center by assets, the region will experience expansion in the financial services sector: Bank of London, SoFi, and Citi will begin filling 1,000 new finance jobs starting this year. In manufacturing and logistics, Scout Motors Inc., a Volkswagen subsidiary, will establish its new corporate headquarters, with initial staffing of 1,200 jobs to commence and wages nearly double the county average. AVL Manufacturing will open its first U.S. facility with 325 hires by July 2026, and Maersk will add 520 logistics jobs. With more job opportunities, rising wages, and incoming residents, about 23,900 net new households will form, many opting to rent. Renting remains favorable, with average rent 75% below a mortgage for a $430,000 home. About 10,200 net apartments are expected to be absorbed over the year, nearly matching the approximately 11,400 units coming online. Apartment occupancy was projected to hold near 94.3% in the fourth quarter. Employment and demographic advancements supported a 2.7% rent increase to $1,580 by year-end, approaching its 2022 peak.

**Recreation & Culture**

Lake Wylie is a 12,455-acre lake located within York County. The lake offers swimming, boating, water skiing, and fishing. Kings Mountain State Park is located on approximately 6,000 acres in northwest York County. There are over 50 public parks in York County. York County has three public, four semi-private, and two private golf courses. Located 12 miles north of Rock Hill on I-77 is Paramount's Carowinds, a 77-acre theme park and the largest amusement center in North and South Carolina.

The Charlotte Knights is a professional, Triple A baseball team which plays its home games in the 15,000-seat Knight's Castle located in Fort Mill. The Charlotte Hornets, Carolina Panthers, and Charlotte Football Club are professional basketball, football, and soccer teams located in nearby Charlotte. Other recreational and cultural opportunities abound in nearby Charlotte.

**Transportation**

The region is served by the Charlotte/Douglas International Airport. The airport is ranked as the 6$^{th}$ busiest passenger airport in the country. Charlotte Douglas International Airport welcomed a record 58.8 million passengers in 2024, a 10% increase from the previous record set in 2023. There were 596,583 total arrivals and departures in 2024, making CLT the 6th busiest airport in the world for aircraft operations. The airport offers nonstop service to over 188 destinations, including more than 40 international routes and eight to Europe. The airport is home to seven major domestic airlines, 15 regional carriers, and three foreign flag carriers. It is the second-largest hub for American Airlines, which carries nearly 70% of CLT's passengers.

The “Destination CLT” initiative is a $4 billion capital investment covering airfield and terminal upgrades through 2035, ensuring the airport can accommodate future growth. All projects are demand-driven, with no general tax dollars used. The $600 million Terminal Lobby Expansion will finish in fall 2025, adding 175,000 square feet of new space and renovating another 191,000 square feet. This project will improve security, baggage claim, and passenger circulation, and will feature a new 150,000-square-foot curbside canopy for weather protection and convenience. A new $1 billion, 10,000-foot runway is under construction, scheduled to open in fall 2027. This will significantly increase airfield capacity and operational efficiency.

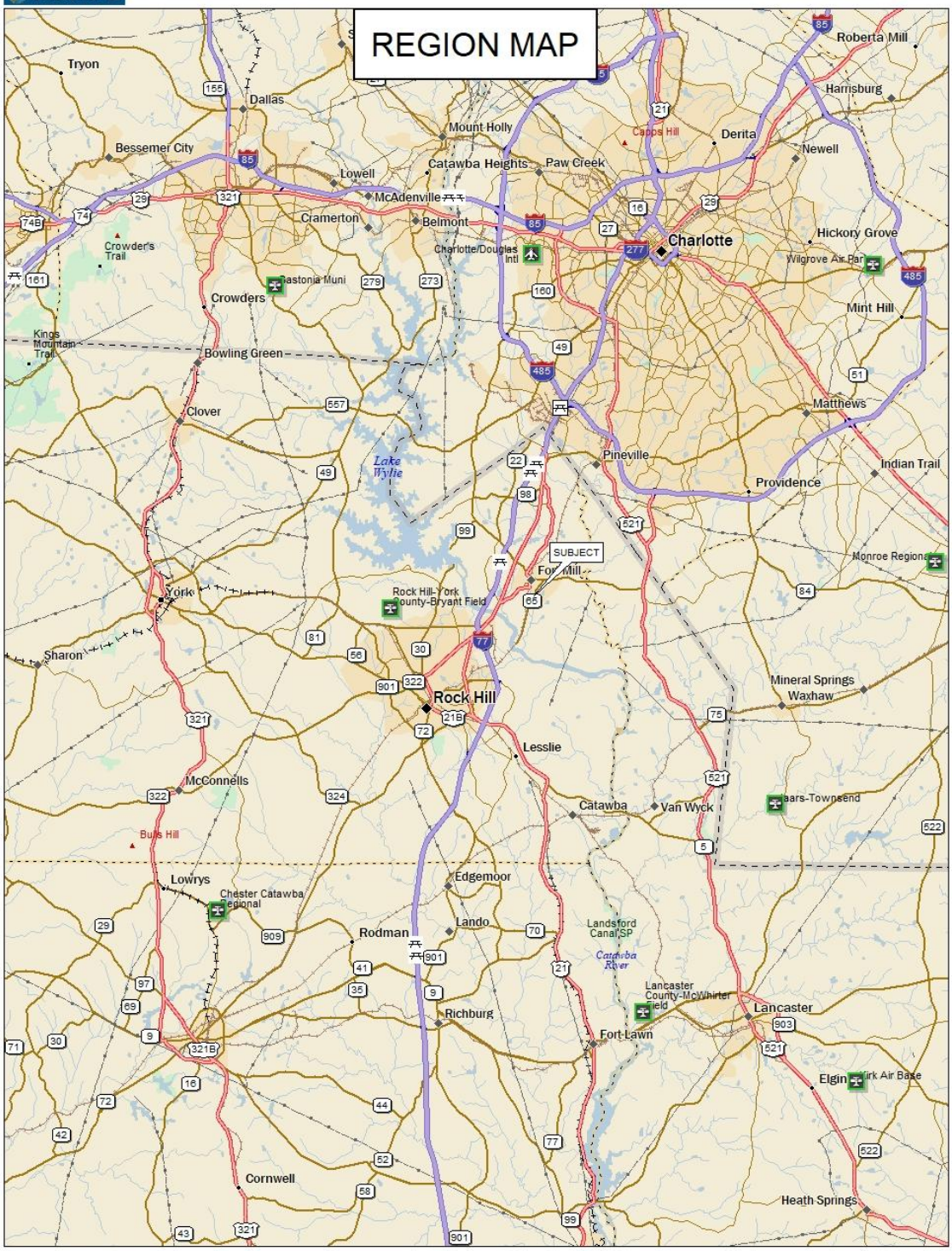
Within York County, the Rock Hill-York County Municipal Airport, (Bryant Field) is the major business and industrial airport serving the area. The airport provides passenger and air freight service on demand, but has no scheduled air freight due to the proximity of the Charlotte/Douglas Airport.

An established network of ground transportation and other services complements Charlotte's air service. The region is the center of the country's largest consolidated rail system, with links to 22 states in the eastern ½ of the United States. The Norfolk Southern Railway and CSX Transportation serve over 46,000 miles of track over 20 states in the South, East, Midwest and Canada.

**Summary**

York County is located in the north-central area of South Carolina. The Town of Rock Hill is located in the northern portion of the county, east and west of Interstate 77. The Towns of Fort Mill, Rock Hill, and Tega Cay have become in large part bedroom communities for the expanding City of Charlotte. In conclusion, the area is steadily growing and the outlook is positive for the long run. The four basic factors that influence value: social, economic, government, and environmental considerations, are well balanced in York County and the Town of Fort Mill.

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MN (8.3° W)

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Data Zoom 9-1

## TOWN AND NEIGHBORHOOD ANALYSIS

The subject property is located at 822 Archie Street, in the Town of Fort Mill, York County, South Carolina. The subject neighborhood is considered to be the Town of Fort Mill and those areas in immediate proximity to the municipal limits.

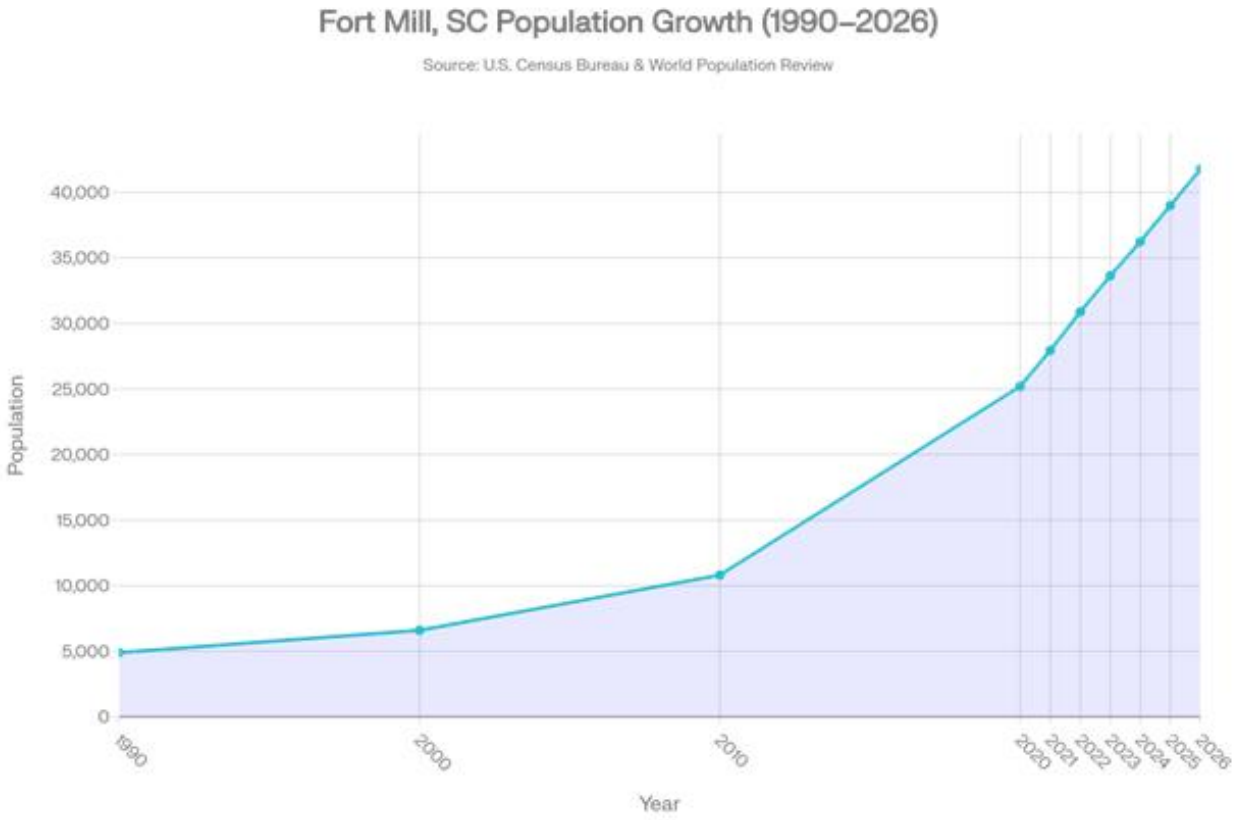
### History

Fort Mill emerged in the mid-19th century on historic Catawba Indian lands. The name derives from a fort built during the Revolutionary War for defense against British incursions. Incorporated in 1873, the town quickly became a textile center when John Springs founded the Springfield Manufacturing Company in 1898. This mill grew into Springs Industries, employing thousands and producing renowned bedspreads that defined the local economy for over 100 years.

Springs shaped Fort Mill's identity, funding community institutions and creating a classic mill village. The downtown historic district preserves this heritage, listed on the National Register of Historic Places since 1992 with Victorian buildings and Springs-era structures. Globalization led to decline, culminating in the 2007 closure of the flagship mill. This shift opened doors to economic diversification in the 1990s through York County incentives. The Fort Mill History Museum now celebrates this evolution from Native American roots and Civil War history to industrial prominence and modern suburbia.

### Population

Fort Mill is experiencing explosive population growth, currently ranked as one of the fastest-growing towns in the nation. The population tripled since 2000, reaching 41,764 by 2026 estimates. Growth accelerated after 2010, from 10,811 to 25,204 in 2020, then to 36,244 by 2024 at 7.1% annually. Families dominate with 75% of households and a median age of 36. Median household income stands at $114,321, with 45% holding bachelor's degrees. Projections indicate 55,000 by 2030, supporting sustained rental demand.




**Growth and Development Trends**

Fort Mill's growth and development trends are propelled by its excellent connectivity via Interstate 77, which provides residents and businesses with access to Charlotte's downtown core in 15 minutes to the north as well as the broader Charlotte metropolitan region. The town's proximity to Charlotte Douglas International Airport, 20 minutes away, further enhances its appeal as a logistics and corporate hub for companies serving the Southeast. This strategic infrastructure has driven building permits for new construction to rise by 20 percent annually in the years immediately preceding 2025, reflecting robust developer confidence and consumer demand before temporary moratoriums were implemented. Residential development during this period added over 4,000 housing units across single-family homes, townhomes, and multifamily apartment complexes, significantly expanding the town's housing inventory to accommodate Charlotte commuters and growing families. Simultaneously, the commercial development pipeline exceeded $1 billion in proposed projects, encompassing retail shopping centers, Class A office parks, industrial warehouses, and mixed-use developments that capitalize on Fort Mill's position along major transportation corridors. York County's competitive tax structure, available skilled workforce, and business-friendly environment have accelerated this development momentum, positioning Fort Mill as one of the region's growth centers.

The town's comprehensive planning initiative titled 'Our Path Forward,' formally adopted in mid-2025, places strategic emphasis on managed density along designated growth corridors such as Carowinds Boulevard and US Highway 521 while prioritizing critical infrastructure improvements including road widenings, sewer system expansions, stormwater management upgrades, and advanced traffic signal systems to accommodate the rapid influx of new residents and commuters. A temporary moratorium a temporary moratorium restricting applications involving rezoning or annexation of residential land for residential developments; rezoning or annexation for general or limited industrial districts; or development approvals within general or limited districts was first enacted by the Town Council in June 2025 and ran through the end of 2025. The moratorium was subsequently extended in January 2026 through September 30, 2026. The moratorium specifically targets mounting traffic congestion and infrastructure capacity constraints at key intersections throughout town. This provides essential time for comprehensive traffic studies, utility capacity assessments, and extensive public input sessions.

**Major Employers and Emerging Industries**

LPL Financial unequivocally serves as Fort Mill's largest private employer, operating its expansive corporate headquarters campus within the town and providing over 5,500 high-skilled professional positions across wealth management, financial planning, investment advisory services, and supporting technology infrastructure roles. The company strategically invested in significant campus expansions during both 2023 and 2025, constructing additional modern office towers, state-of-the-art training facilities, and employee amenity centers that not only created hundreds of new employment opportunities but also delivered average annual salaries substantially exceeding $100,000, meaningfully elevating the local wage base while stimulating robust consumer spending on housing, retail establishments, restaurants, and community services throughout Fort Mill and greater York County. LPL employees enjoy comprehensive on-site workplace amenities including corporate cafeterias featuring healthy dining options, fully equipped fitness centers, convenient shuttle services to regional transit connections, and professional development programs that enhance long-term career progression within the financial services industry.

Ross Stores maintains a 1.2 million square foot regional distribution and fulfillment center that employs approximately 2,500 dedicated workers focused on sophisticated retail logistics operations, high-volume inventory management systems, and rapidly expanding e-commerce order fulfillment processes supporting popular retail brands such as dd's Discounts and Ross Dress for Less across multiple Southeastern states. This strategically located facility, benefiting from immediate Interstate 77 access, represents one of York County's largest private sector employers and substantially contributes to Fort Mill's rapidly growing reputation as a premier regional logistics and supply chain management center serving major national retailers.

Schaeffler Group, the German-headquartered global automotive technology supplier, employs 1,900 highly skilled manufacturing and engineering professionals at its advanced Fort Mill production facility, where a strategic $200 million capital investment completed in 2024 comprehensively modernized production lines specifically designed to manufacture precision bearings, transmission components, and specialized parts increasingly destined for next-generation electric vehicles alongside traditional internal combustion engine applications.

Novant Health supports approximately 1,500 healthcare professionals, clinical staff, and administrative personnel across its network of Fort Mill-area medical clinics, outpatient facilities, and corporate support operations, with convenient proximity to its larger Ballantyne Medical Center campus serving complex care needs. Amazon's strategically positioned fulfillment and distribution operations contribute 1,200 essential warehousing, inventory management, and last-mile delivery jobs to the local economy, capitalizing on Fort Mill's interstate connectivity. Siemens Energy rounds out the major employer roster with 800 specialized positions focused on renewable energy technology development, advanced turbine components, and energy storage solutions, including recent facility expansions to support growing clean energy initiatives. Emerging industry clusters are rapidly gaining critical momentum throughout Fort Mill, as fintech companies strategically cluster around LPL Financial's established ecosystem, electric vehicle manufacturing leverages Schaeffler's specialized engineering expertise, and large-scale data center developments benefit from the county's aggressive tax incentives, reliable power grid infrastructure, and expanding high-speed fiber optic connectivity networks—all positioning Fort Mill for sustained economic diversification and thousands of additional high-wage employment opportunities in the coming decade.

**New Commercial Development**

Regent Park, the prominent 100-acre master-planned mixed-use development strategically located along high-traffic Carowinds Boulevard, represents one of Fort Mill's most ambitious commercial initiatives, ultimately featuring 500,000 square feet of premium retail space, Class A professional office buildings, and hospitality accommodations meticulously designed to serve the town's rapidly expanding commuter population and business community. Phase 1 of construction, which broke ground in early 2024 and achieved substantial completion by mid-2025, centers around a flagship Publix supermarket serving as retail anchor for a 50,000 square foot neighborhood shopping plaza that includes specialty tenant spaces for popular coffee houses, professional beauty salons, medical offices, and diverse quick-service restaurant concepts, successfully commanding competitive triple-net lease rates ranging from $25 to $35 per square foot. The retail is driven by impressive daily traffic volumes consistently exceeding 30,000 vehicles along this critical commercial corridor. Future development phases strategically planned for 2026-2028 will introduce distinctive Class A office buildings targeting professional service firms, healthcare providers, and technology companies alongside a 150-room upscale extended-stay hotel specifically catering to business travelers, regional visitors, and construction workers supporting Fort Mill's ongoing development boom.

The new Elizabeth master planned community incorporates substantial non-residential use, with at least 350,000 square feet of commercial space permitted under the development agreement. Initial commercial phases include the South Mill at Elizabeth retail and flex project, which features approximately 19,868 square feet of retail space, a 15,000-square-foot flex building, and an 85,000-square-foot climate-controlled self-storage facility. Construction began in Fall 2022 on this mixed-use project along the fast-growing southern side of Fort Mill, SC. The project contains 18,000 square feet of restaurant/retail space, a 15,000 square foot flex building, and an 85,000 rentable square foot climate-controlled self-storage facility branded as The Vault Fort Mill. This will be the first project in a new commercial corridor at the entrance to the 1,500 acre, 1,285 home Elizabeth development by Lennar Homes.

Catawba Ridge Marketplace successfully welcomed its marquee anchor tenant Whole Foods Market alongside popular dining destinations including First Watch, Clean Juice, and several national fast-casual concepts during its grand opening in early 2025, achieving an exceptional 95 percent preleasing rate across its comprehensive 300,000 square feet of leasable retail and restaurant space while generating substantial new sales tax revenue streams that directly benefit town services and infrastructure improvements. Williamson Mill stands as a critically important adaptive reuse project that thoughtfully transforms underutilized historic textile manufacturing buildings through incorporation of 20,000 square feet of carefully curated ground-floor retail space featuring boutique shops, artisanal cafes, specialty grocers, and professional services directly below new residential apartment units, with construction targeting substantial completion in late 2026 and positioned to serve as a genuine catalyst for broader downtown core revitalization efforts. These commercial developments collectively maintain impressively low retail vacancy rates of just 4.2 percent throughout Fort Mill while demonstrating consistently strong positive absorption metrics even amidst the temporary development moratorium currently in effect.

In January 2026, Charlotte developer MPV Properties obtained an appearance review for a new 12,000-square-foot retail center at the corner of Fort Mill Parkway and Hillside Roll Road. “The hope is to build a project that will provide Elizabeth with retail, medical, restaurant and other neighborhood services that are upscale yet convenient,” the developer said in its application to the town. There’s a patio on the Hillside Roll side, allowing for a restaurant. The project has a 45-foot buffer along a stream bed toward Elizabeth homes, and a meandering trail on the parkway side. There will be pedestrian access to the neighborhood and the town trail system in the area.

**New and Planned Residential Development**

Lennar's master-planned Elizabeth development emerges as one of Fort Mill's most successful recent residential communities, designed with a focus on walkability and extensive lifestyle amenities. At final build-out, the residential portion of the development is planned to include up to 1,285 units, comprising approximately 820 single-family homes and 492 townhomes. The neighborhood environment that includes a resort-style community clubhouse, competition swimming pool, state-of-the-art fitness center, extensive interconnected walking and biking trails linking to multiple neighborhood pocket parks, and dedicated children's play areas.

The development achieved 95 percent sales absorption between 2024 and early 2025, successfully closing on contracts ranging from $450,000 for accessible entry-level two-story townhome configurations to $650,000 for single-family detached models typically featuring four bedrooms, three full bathrooms, finished bonus rooms, and three-car attached garages with epoxy flooring and built-in storage solutions. Additionally, the community includes a substantial commercial component and the Elizabeth Commons multi-family phase, which is planned for 292 apartment units.

DRB Homes' designed Harbins Crossing community provides 250 new homes within a nature-centric residential environment incorporating substantial preserved green space areas, extensive community trail networks winding through wooded conservation easements, multiple children's playground destinations, and neighborhood pools serving families specifically seeking larger premium homesites proximate to Fort Mill's elite public school system.

Williams Reserve represents a substantial forthcoming residential opportunity following formal annexation approval by Fort Mill Town Council during 2025, strategically planning delivery of 500 single-family detached homes alongside 100 townhomes presented in phased construction sequences extending through 2027, with location immediately adjacent to planned expansions of the highly regarded York County School District facilities and featuring advanced smart home technology packages, extensive customization options through nationally recognized production builders, and community amenities including championship swimming complexes, tennis facilities, and extensive recreational programming.

Fort Mill's median existing single-family home sales price has climbed steadily to $565,000 throughout the current market cycle, reflecting impressive 22 percent year-over-year price appreciation directly attributable to chronically low housing inventory levels, robust demand from Charlotte-area corporate relocations, and sustained population growth pressures throughout York County that continue to drive premium pricing across all residential product types.

**Multifamily Development**

The Lodges at Fort Mill is a rental-only community offering a mix of one- to three-bedroom apartments, townhomes, and single-family-style homes, located along Fort Mill Highway in the Indian Land / Fort Mill area. It opened in late 2024. Fox Hunt Farms is a modern apartment community located at 355 Amistead Avenue in Fort Mill, operated by Greystar and offering one- to three-bedroom units with higher-end finishes and pet-friendly amenities. The community was completed in 2025 and reportedly stabilized shortly after construction concluded. Vintage Wilson Farms is a new apartment community located at 520 Ridgeline Drive in Fort Mill, developed by Bell Partners and featuring one- to three-bedroom units with updated interiors and in-unit washers/dryers. The developed was recently completed with lease-up currently underway.

Elizabeth Commons is a 292-unit multifamily development under construction in the Elizabeth master planned community, with delivery anticipated in December 2026. The C. Herman Construction project includes four residential buildings, a clubhouse, and multiple outdoor amenity areas.

Williamson Mill is a new development of 200 units through historic adaptive reuse of existing textile-era mill buildings strategically positioned atop vibrant street-level retail within downtown Fort Mill. The property is targeting substantial construction completion during late 2026 while featuring desirable rooftop terrace decks, extensive pedestrian-friendly promenades, and direct connectivity to emerging downtown entertainment districts. The Unique Loom mill site targets conversion to approximately 150 residential units within existing textile manufacturing buildings featuring authentic exposed brick interior finishes alongside thoroughly modern community amenities including professional co-working spaces, pet relief areas, and controlled-access parking solutions. Mill District plans introduction of 120 contemporary townhome-style residential units positioned near the historic Springs Industries legacy site, successfully blending preserved architectural character with practical private attached garages, fenced rear patios, and comprehensive community programming.

Weidner Apartment Homes' broader strategic portfolio acquisition encompassing approximately 350 additional multifamily units across multiple Fort Mill-area properties during 2025 clearly signals robust institutional investor confidence in the submarket's sustained performance potential, particularly highlighting substantial value-add renovation opportunities through comprehensive interior unit modernizations, enhanced common area amenities, and strategic rate repositioning initiatives.

Fort Mill's multifamily development pipeline currently totals approximately 800 units across various construction stages, while consistently sustaining impressive 96 percent stabilized occupancy levels alongside 12 percent trailing twelve-month net operating income growth even amidst the temporary residential moratorium currently governing new project approvals.

**Healthcare**

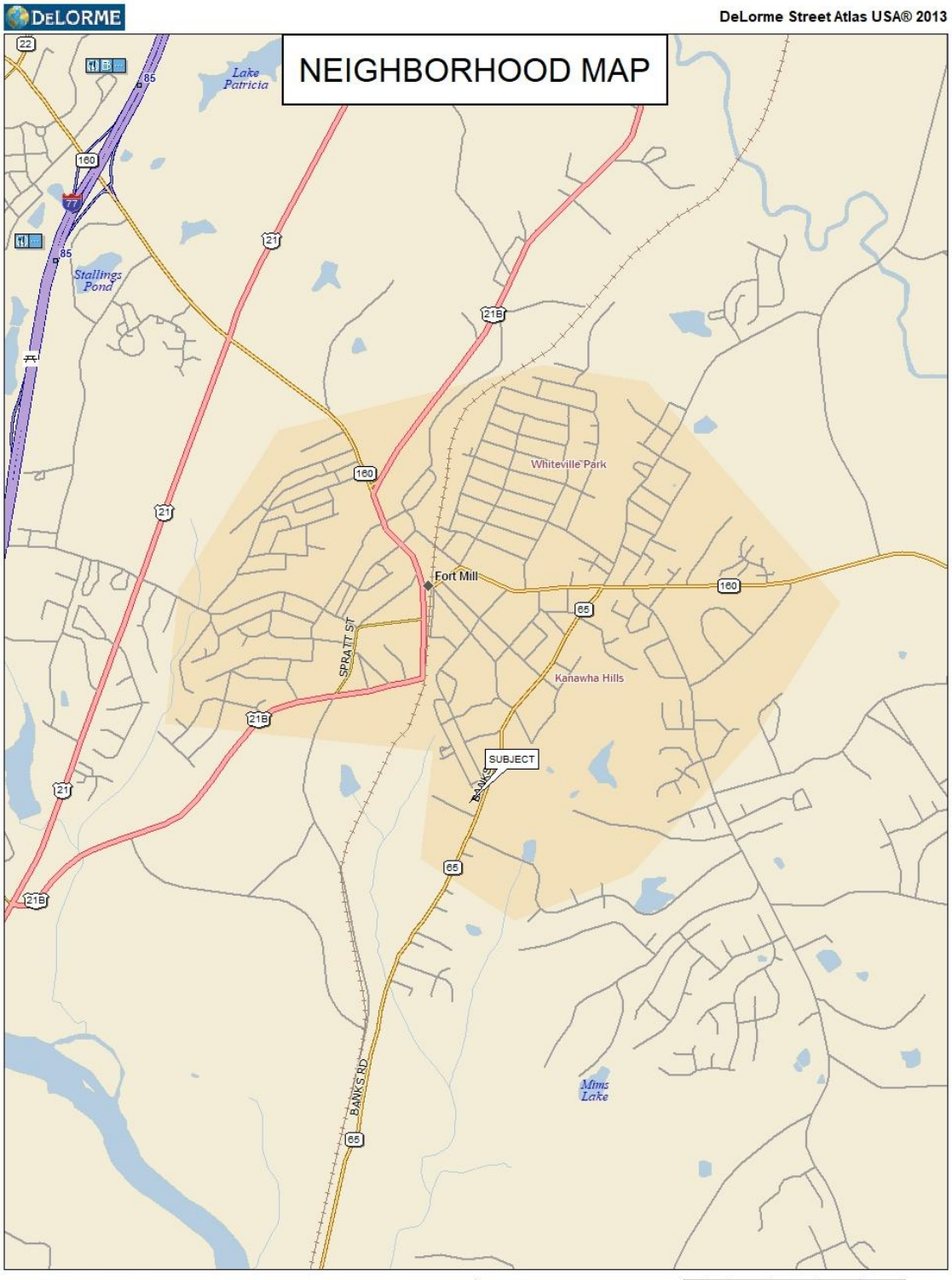
Healthcare access is strong, anchored by Novant Health facilities including Fort Mill Family Medicine at 1690 Highway 160 W, the new Mintview OB/GYN clinic opened in late 2025, and Kingsley Park Drive primary/urgent care. Additional options like Pierce Street Urgent Care complement proximity to Novant Ballantyne Medical Center, meeting growing population needs.

**Immediate Neighborhood**

The immediate subject neighborhood is considered to be the southern portion of the Town of Fort Mill. This area is bounded roughly by Tom Mill Street to the North, municipal limits to the east, the Catawba River to the south and US Highway 21 to the west. Interstate highway access via I-77 Northbound entrance ramp lies approximately 2.8 miles northwest of the subject property, while downtown Fort Mill's historic core is located just along the northern boundary of the immediate neighborhood. This area blends traditional single-family homes predominantly constructed from the 1970s through 1990s alongside well-maintained multifamily apartment communities within a relatively low-density suburban residential setting. Convenient proximity to Fort Mill's top-rated public school system provides substantial competitive advantage within the housing marketplace. Specific schools serving the immediate neighborhood include Riverview Elementary School, River Trail Elementary School and Banks Trail Middle School, all part of the highly regarded Fort Mill School District 4.

The aforementioned Elizabeth master planned community lies in the southwestern portion of the immediate subject neighborhood, north of the Catawba River. Beyond predominant residential single-family homes and multifamily apartments, non-residential uses within the neighborhood include small commercial parcels zoned for neighborhood retail along Tom Hall Street, church facilities, and limited office spaces for local professionals. An industrially zoned area is also located in the southern portion of the neighborhood, anchored by the the US Foods distribution center, located off Fort Mill Parkway. This is a major facility, identified as the company's second-largest, at over 200,000 S.F. It serves as a key hub for supplying restaurants and foodservice operators in the region. Springfield Golf Club, known as Fort Mill Golf Club, lies just east of the subject property at 101 Country Club Drive, featuring an 18-hole championship course designed by Donald Ross and George Cobb. The club offers memberships starting at $225/month with access to four Leroy Springs courses, clubhouse dining, and practice facilities.

To summarize, the subject property is located at 822 Archie Street, off West Clark Road, just south of the Fort Mill CBD. This area contains primarily residential land uses with supporting neighborhood commercial and service uses along nearby corridors. It is convenient to downtown Fort Mill, area shopping and medical care in both Fort Mil, Rock Hill and the Charlotte area. Fort Mill is one of the fastest growing towns in the country. Corporate relocations and infrastructure investments drive this boom. Residential construction has added over 5,000 units since 2020, while commercial projects line key corridors. A temporary moratorium on residential rezoning, enacted in 2025 and extended into 2026, reflects the town's commitment to sustainable planning through the 'Our Path Forward' initiative. Multifamily development remains robust, with more than 1,500 units delivered in recent years with occupancy rates currently exceeding 95%. Rents have risen annually, creating favorable conditions for properties owners. Property values are considered to be stable to appreciating, and the long-term outlook for the neighborhood is very good given ongoing regional population and employment growth.


DeLorme Street Atlas USA® 2013
NEIGHBORHOOD MAP
Lake Patricia
Stallings Pond
Whiteville Park
Fort Mill
Kanawha Hills
SUBJECT
SPRATT ST
BANKS RD
Mims Lake
22
85
160
77
21
21B
65
Data use subject to license.
© DeLorme. DeLorme Street Atlas USA® 2013.
www.delorme.com
MN (8.3° W)
0 800 1600 2400 3200 4000 ft
Data Zoom 12-7

## SITE ANALYSIS

The subject property is located at 822 Archie Street, in the Town of Fort Mill, York County, South Carolina. Archie Street is a no-outlet 50’ asphalt paved right-of-way, with streetlights, but without curb and gutter, or sidewalks. The property is also located on the northern side of West Clark Road and has a small amount of frontage on Williamson Street and Link Street. The majority of the property is accessed from Archie Street, while one building is accessed from West Clark Road and two buildings are accessed from Link Street, which terminates at the subject property.

Size/Shape/Access

The most recent recorded plat showing the subject site is dated August 16, 1976 and was prepared by John Quinn Hall, P.L.S and is recorded in the York County Register of Deeds office in plat book 50, at page 56. According to the legal description n the most recent deed, which is based upon this survey, the subject property totals 6.43 acres, plus a strip that is shown running along the Banks Street frontage, but the strip does not have a size or dimensions indicated. The tax assessor’s records show a size of 6.56 acres for the subject property and it is reasonable to assume this strip totals 0.13 acre, therefore, for the purpose of this appraisal I have assumed a size of 6.56 acres. Due to the age of the plat, it is recommended that the property be resurveyed. The site is non-contiguous, with a 0.56 acre portion located south of Archie Street. The 0.56 acre parcel has approximately 236’ of frontage on Archie Street. The larger subject parcel has roughly 755' of frontage on Archie Street, 468’ on West Clark Road, 40’ on Williamson Steet and 40’ on Link Street. The subject tract has an irregular, but functional shape. The size is within the typical range for multi-family properties. Access to the site is considered very good.

Easements

No easements are shown on the survey and none were observed that would adversely affect the value or functionality of the site.

Topography

The site is located in an X Flood Zone. This is an area which does not require flood insurance or preventative construction and design measures. The site has variable sloped topography, with elevation changes of approximately 38 feet across the site. Presumed engineered slopes are present to accommodate the changed elevations. Drainage is assumed to be adequate. The soils are assumed to be typical of those found in the region and capable of supporting the improvements. No unusual soil conditions are known to exist; however, we assume no responsibility for any soil conditions.

Utilities

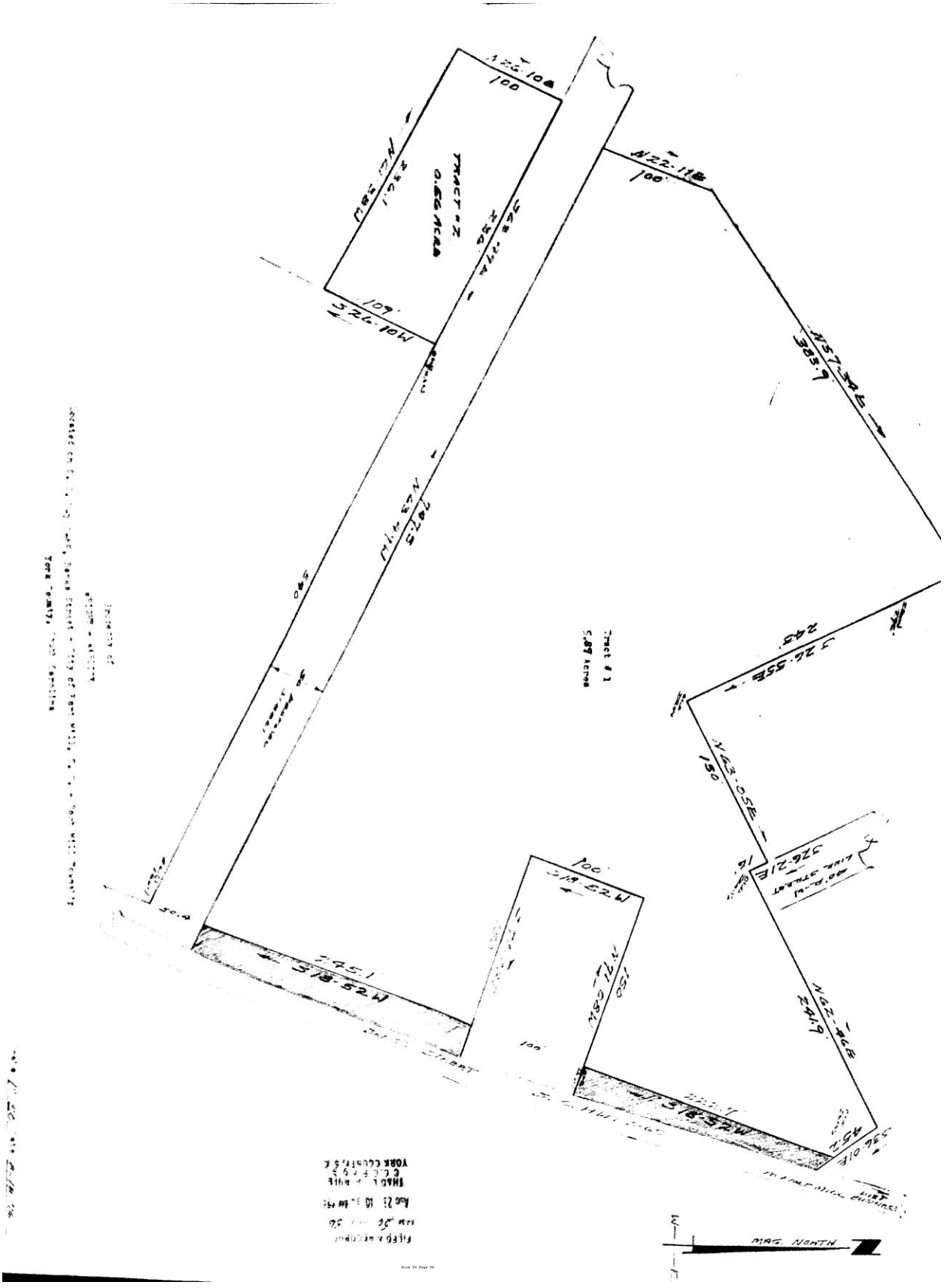
The subject site has all necessary utilities available to it.

Environmental Considerations

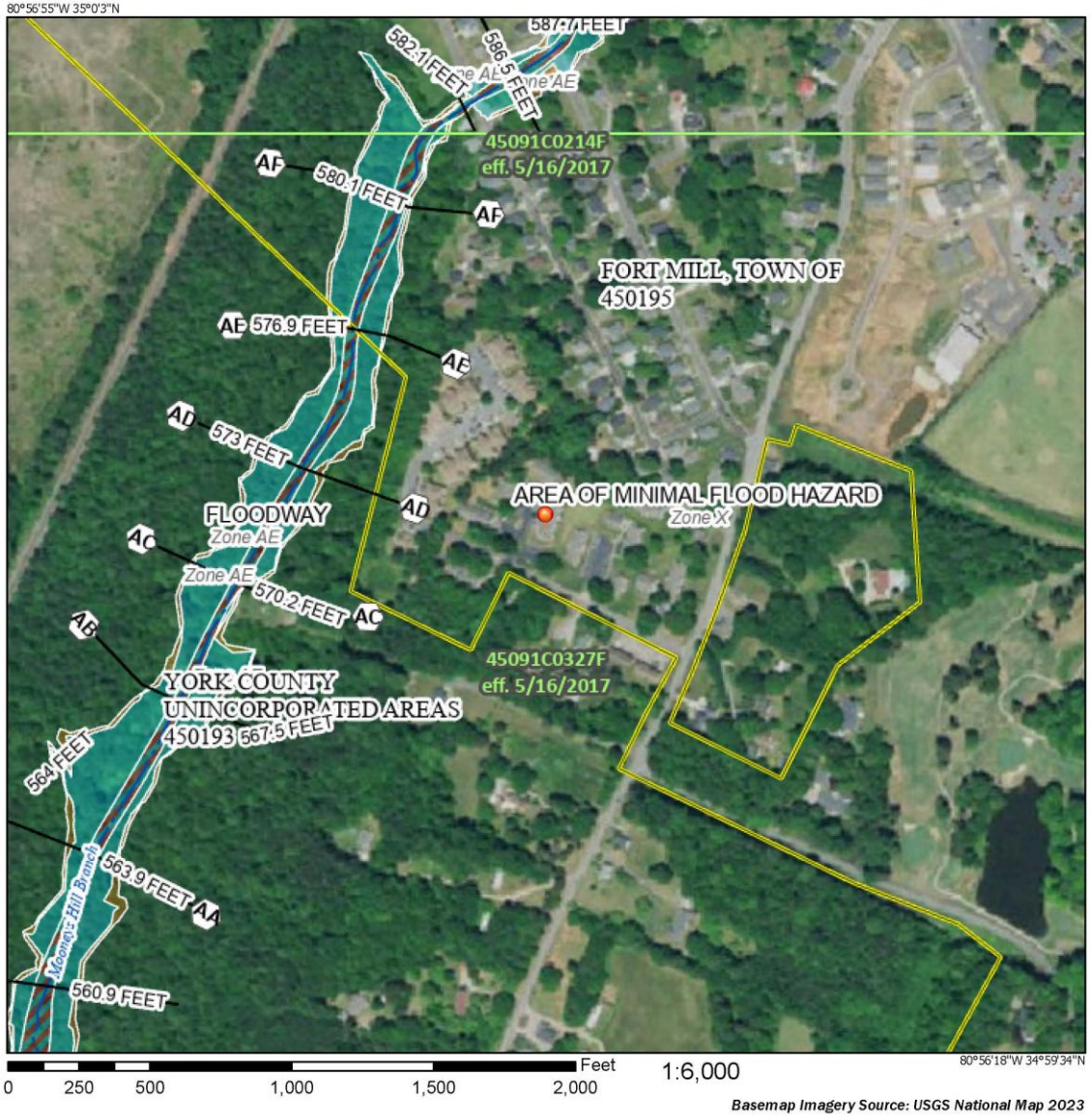
Environmental hazards associated with real estate can include friable asbestos containing materials, contaminated soil, potentially leaking underground storage tanks, and other preexisting or existing chemicals and/or materials on the site or in the buildings. The property was visually inspected for indications of environmental hazards and none were noted. The surrounding area was also visually inspected and no potential environmental hazards were noted which could affect the subject property. However, I am not an expert in this field, and assume no responsibility for any adverse environmental conditions. The client is advised to retain an environmental consultant if so desired.

Conclusion

In summary, the size of the subject tract is within the typical range for multifamily sites in the region. The shape is irregular, but functional and access is good. There are no known adverse physical characteristics. The physical and functional characteristics of the site appear to meet the desires and standards of typical purchasers in the market.


TRACT # 2
0.65 ACRE
MAG. NORTH

# National Flood Hazard Layer FIRMette




*Basemap Imagery Source: USGS National Map 2023*

## Legend

SEE FIS 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**
- NO SCREEN 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**
- 20.2 Cross Sections with 1% Annual Chance
- 17.5 Water Surface Elevation
- Coastal Transect
- 513 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

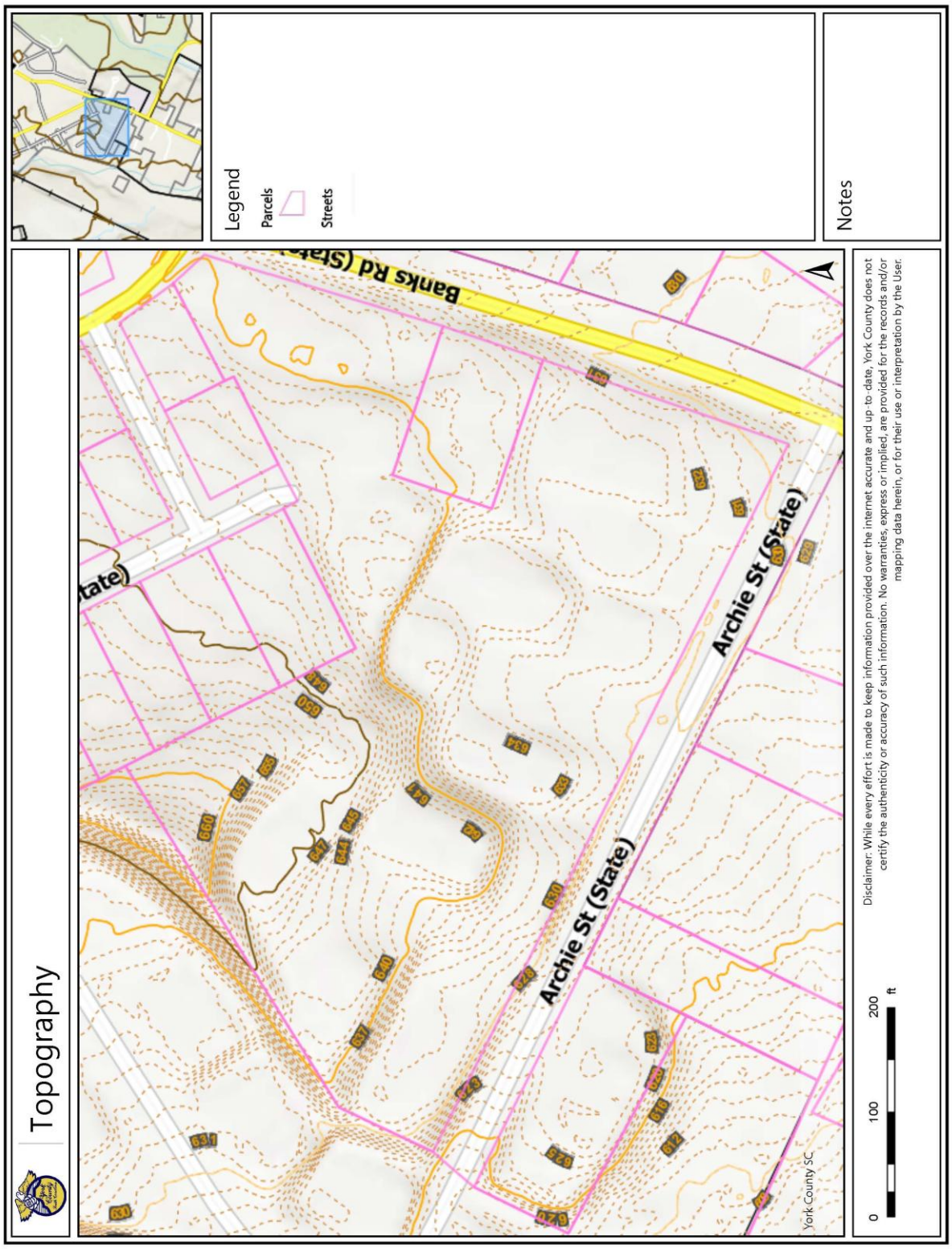
N

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 4/8/2026 at 2:43 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, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.


Topography
Legend
Parcels
Streets
Notes
Banks Rd (State)
Archie St (State)
Archie St (State)
York County SC
0
100
200
ft
Disclaimer: While every effort is made to keep information provided over the internet accurate and up-to-date, York County does not certify the authenticity or accuracy of such information. No warranties, express or implied, are provided for the records and/or mapping data herein, or for their use or interpretation by the User.

## IMPROVEMENTS ANALYSIS

The subject improvements include 51 apartment units located in 14 one-story buildings. The property also includes a management office unit. The apartment buildings are estimated to have a total of 35,552 rentable S.F. There are (6) 483 S.F. efficiency units, (10) 486 S.F. one-bedroom units, (31) 782 S.F. two-bedroom units and (4) 888 S.F. three-bedroom units. The office unit totals 782 S.F. Following in this section are portions of building plans. Following is a breakdown the apartment unit areas:

| Type | Sq Ft | Count | Sq Ft |
|---|---|---|---|
| Efficiency | 483 | 6 | 2,898 |
| 1-Bedroom | 486 | 10 | 4,860 |
| 2-Bedroom | 782 | 31 | 24,242 |
| 3-Bedroom | 888 | 4 | 3,552 |
| | 697 | 51 | 35,552 |

Following are specifics as to construction:

***Building:***

**Structure:** The buildings' construction is wood-frame. There is a porch located at each unit entrance.

**Foundation:** Each building has a concrete slab and foundation.

**Exterior Walls:** Exterior walls consist of vinyl siding, with brick veneer.

**Roof:** The buildings contain gabled roofs, covered with dimensional asphalt composition shingles.

**Fenestration:** The building has double-hung windows in metal frames. The exterior doors are doors are wood and each unit has an aluminum storm door. Some units have sliding-glass rear doors.

**HVAC:** The apartments and office/community building are heated and cooled with split heat pump systems. The HVAC systems are assumed to be adequate.

**Electrical:** Each unit has an individual 125-amp electrical panel. The electrical system is assumed to be adequate.

**Plumbing:** Each unit has one, three-fixture bathroom. The office unit has a two-fixture restroom and a mop sink. Each unit has a washer and dryer hookup. The plans show the office unit as having hookups for three washers and three dryers; however, there is currently only one coin operated water and dryer. The plumbing systems appear to be adequate.

**Interior Construction:** Interior construction consists of gypsum board over wood stud walls.

**Interior Finishes:** The units have a mixture of carpet and vinyl floor coverings. The walls are ceiling are gypsum board. The units contain incandescent fixtures. Each unit contains one ceiling fan. Countertops are laminate over plywood substrate. Limited bathrooms have solid surface resin countertops. The bath enclosures are fiberglass. The office unit has painted gypsum board walls and blown ceilings, synthetic wood floor covering, and vinyl floorcovering. The maintenance room in the office unit has a sealed concrete floor. The office unit has a ceiling fan and a mixture of fluorescent and incandescent light fixtures.

**Appliances:** Each unit has a range/oven, hood, and refrigerator. The office unit has a refrigerator and microwave and a laundry room with one coin-operated washer and one coin-operated dryer.

**Site Improvements:** There is adequate landscaping. There are 4’ wide concrete sidewalks around the perimeter of the parking areas and 3’ sidewalks leading to each building. The entrance drive and parking areas are asphalt paved, with curb and gutter. There are a total of 76 marked parking spaces. The parking areas have pole mounted light fixtures. There is an aluminum mail kiosk. A concrete paved dumpster pad is partially surrounded by a wood fence. A wood framed property sign is located at the entrance.

**Depreciation:** The buildings have an estimated total economic life of 45 years. The estimate of total economic life is taken from the Depreciation section of Marshall Valuation Service, a national cost manual. The improvements were reportedly constructed in 1979/1980, are about 46 years old and appear to be reasonably well maintained. There was some minor deferred maintenance noted, such as worn carpeting, repaired ceilings, and damaged/worn cabinetry.

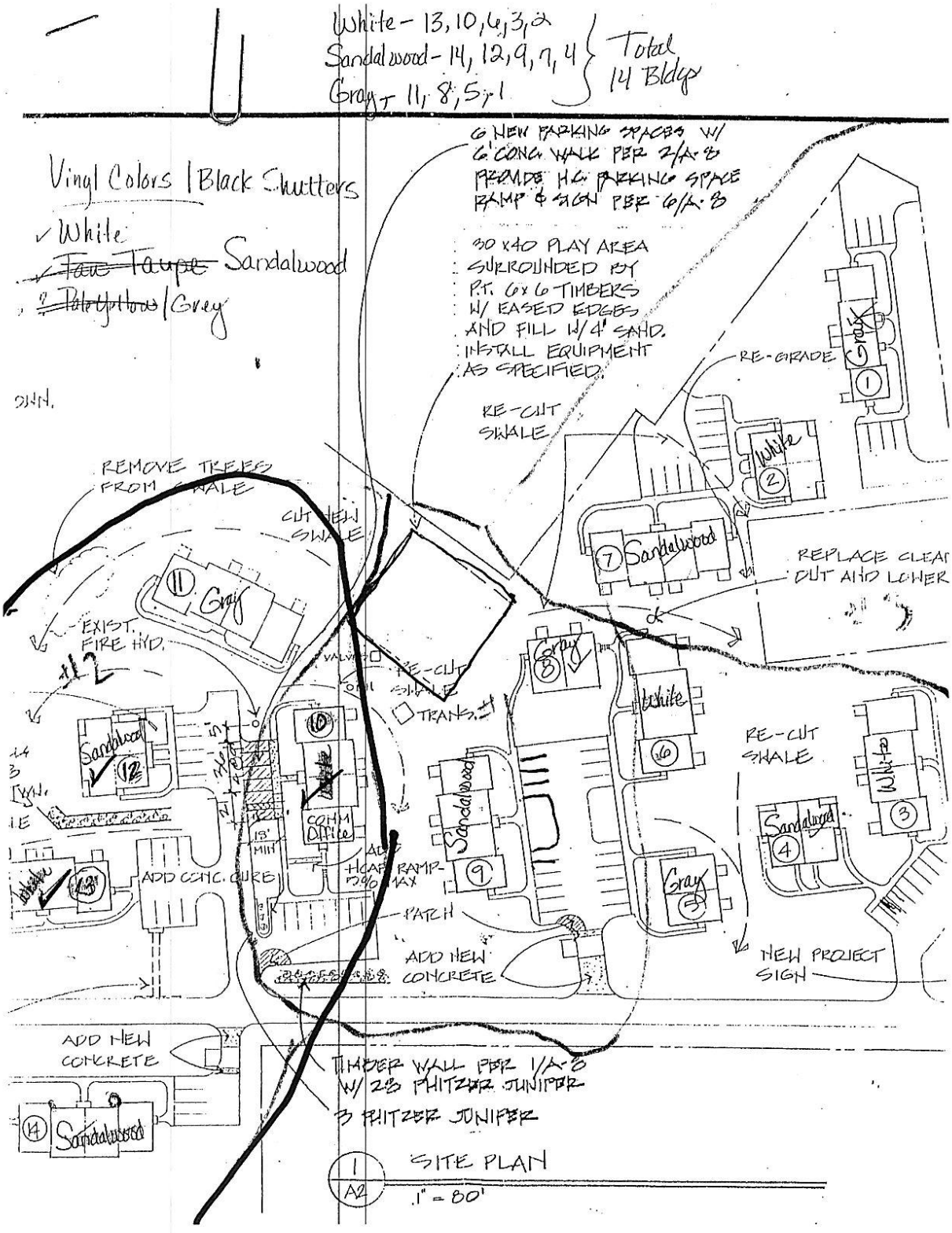
The effective age is estimated to be 30 years and physical depreciation is estimated to be 67% based on the age/life method (30 years/45 years). The subject site is 6.56 acres and the density is 7.8 units per acre, which is within the typical range for multifamily properties. The parking is adequate. There appears to be strong demand in the market for this type of development as a restricted rent property.

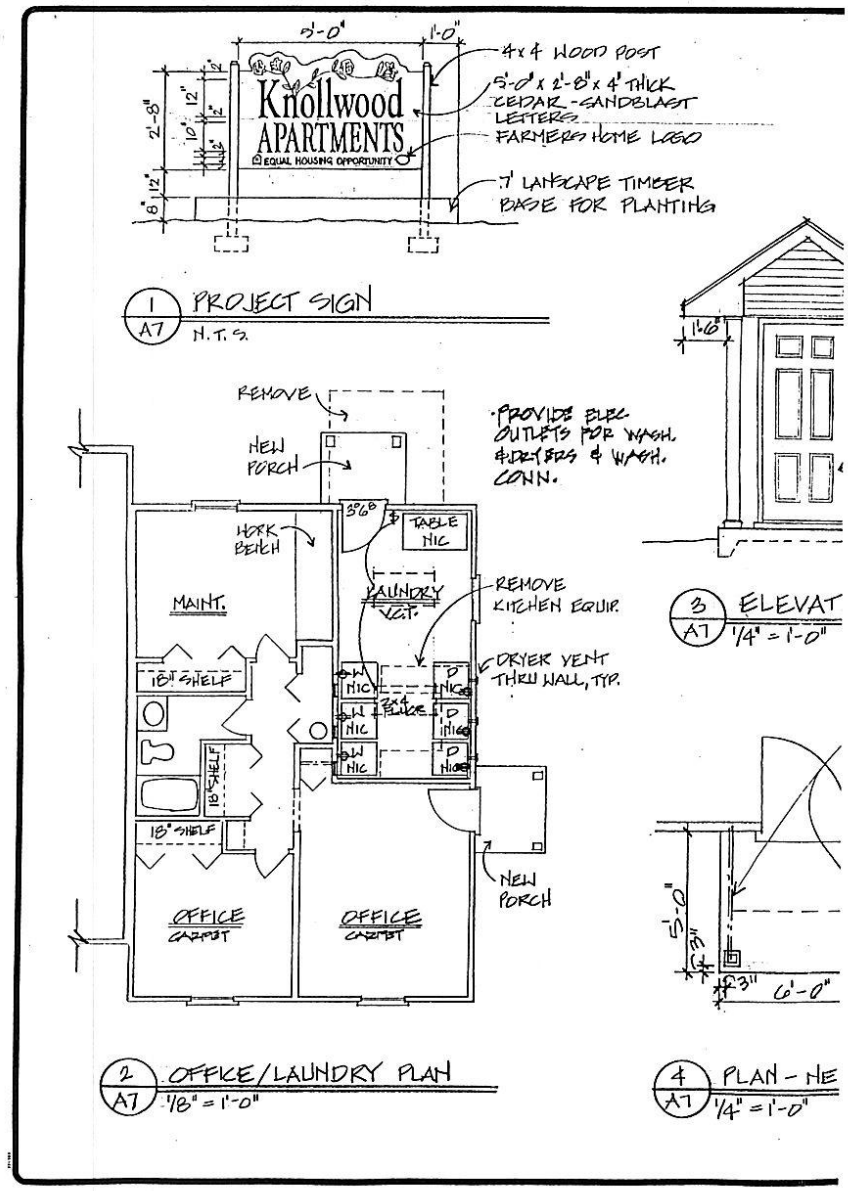
**Conclusion:**

In summary, the subject improvements include a 51-unit residential apartment development. The apartment property and related improvements are functional and add considerable value to the site.

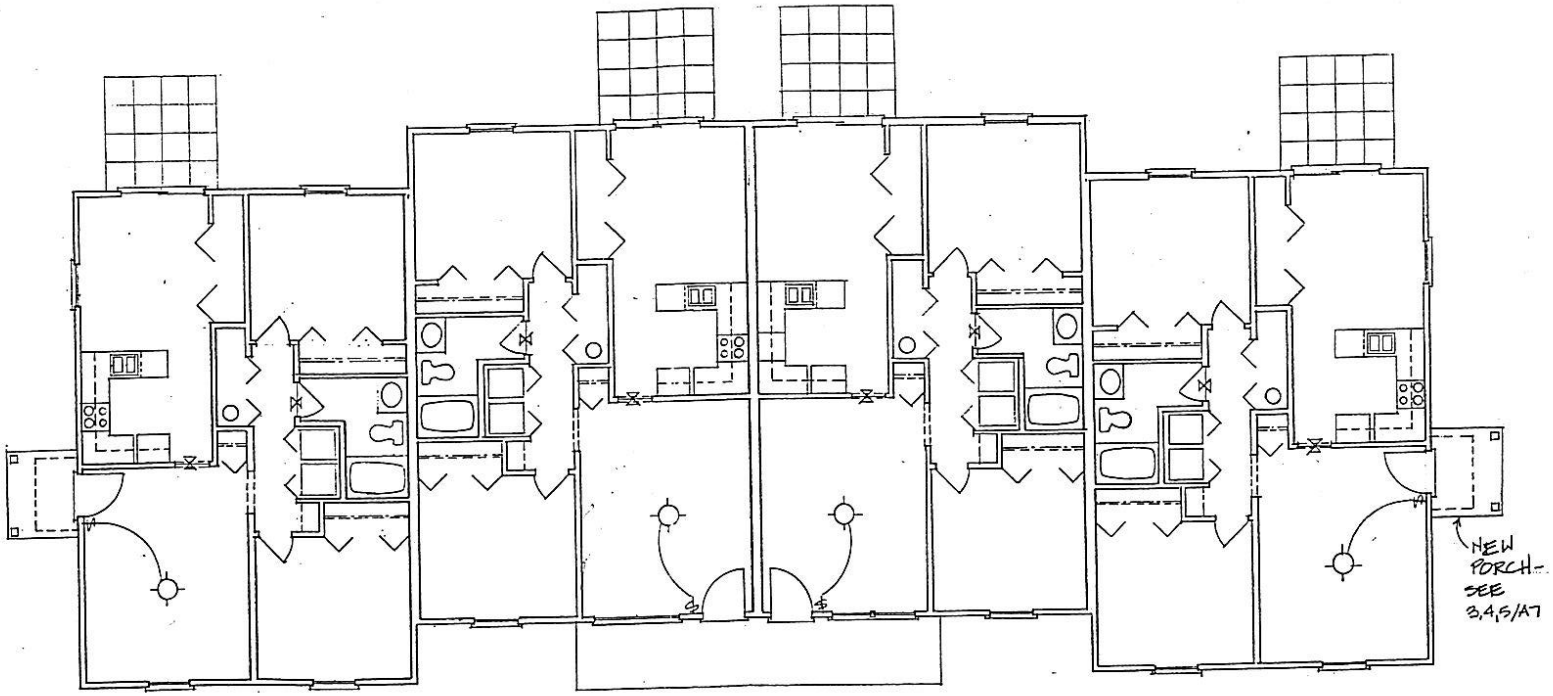
## PERSONAL PROPERTY

Current appraisal standards require that the value of personal property, fixtures, and intangible items be identified. The depreciated value must be allocated. The subject apartment units have range/oven, refrigerator and mini-blinds and the office area contains furniture and appliances. The estimated economic life of major appliances for multi-family use is about ten years. The lives of the other items would be less. While items have been replaced on an as needed basis, the average age of the appliances, furniture, and window treatments appears to exceed ten years. Based upon the average age of the personal property, it is assumed to have only negligible salvage value. Based on the consideration of these factors, it is estimated that the subject's personal property has no measurable separate contributory value beyond to the continued operation of the subject for whatever period they continue to have utility to the property.


White – 13, 10, 6, 3, 2
Sandalwood – 14, 12, 9, 7, 4
Gray – 11, 8, 5, 1
Total 14 Bldgs
Vinyl Colors | Black Shutters
White
~~Fawn Taupe~~ Sandalwood
~~Patriot Blue~~ | Grey
6 NEW PARKING SPACES W/ 6' CONC. WALK PER 2/A-8
REMOVE H.C. PARKING SPACE RAMP & SIGN PER 6/A-8
30 X 40 PLAY AREA SURROUNDED BY P.T. 6 X 6 TIMBERS W/ EASED EDGES AND FILL W/ 4' SAND. INSTALL EQUIPMENT AS SPECIFIED.
RE-GRADE
RE-CUT SWALE
REMOVE TREES FROM SWALE
CUT NEW SWALE
EXIST. FIRE HYD.
RE-CUT SWALE
TRANS.
REPLACE CLEAR CUT AND LOWER
ADD CONC. CURB
HC RAMP 5% MAX
PATCH
ADD NEW CONCRETE
NEW PROJECT SIGN
ADD NEW CONCRETE
TIMBER WALL PER 1/A-8 W/ 23 PFITZER JUNIPER
23 PFITZER JUNIPER
1
A2
SITE PLAN
1" = 80'


5'-0"
1'-0"
4x4 WOOD POST
5'-0" x 2'-8" x 4" THICK CEDAR - SANDBLAST LETTERS
FARMERS HOME LOGO
1' LANDSCAPE TIMBER BASE FOR PLANTING
Knollwood APARTMENTS
EQUAL HOUSING OPPORTUNITY
1 A7 PROJECT SIGN
N.T.S.
REMOVE
NEW PORCH
HOKK BENCH
TABLE NIC
MAINT.
LAUNDRY VCT.
REMOVE KITCHEN EQUIP.
DRYER VENT THRU WALL, TYP.
PROVIDE ELEC. OUTLETS FOR WASH. & DRYERS & WASH. CONN.
18" SHELF
OFFICE CARPET
OFFICE CARPET
NEW PORCH
3 A7 ELEVAT
1/4" = 1'-0"
2 A7 OFFICE/LAUNDRY PLAN
1/8" = 1'-0"
4 A7 PLAN - NE
1/4" = 1'-0"

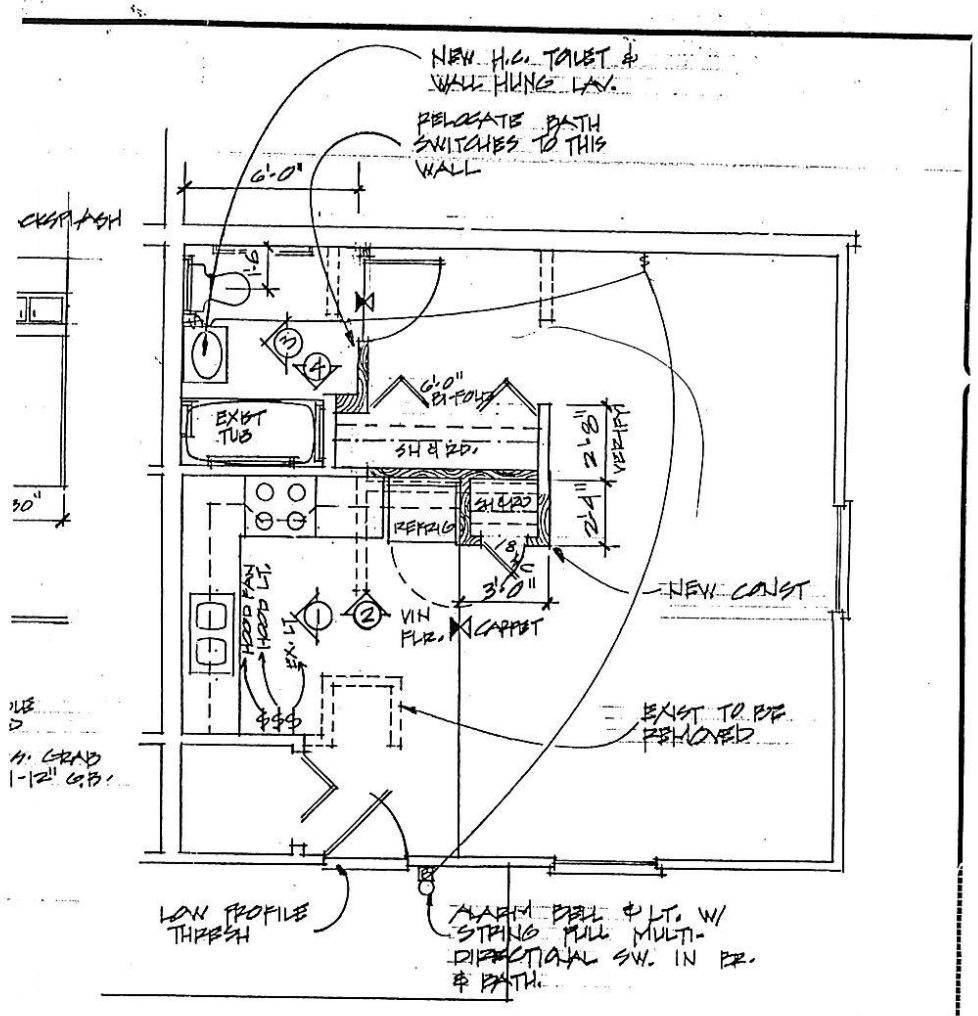
office




1/A5 TWO BEDROOM UNIT - BLDG #3,6,7,9,10,11,13,14

1/8" = 1'-0"

2 BR




FLOOR PLAN - HANDICAPPED UNIT

1/4"=1'-0"

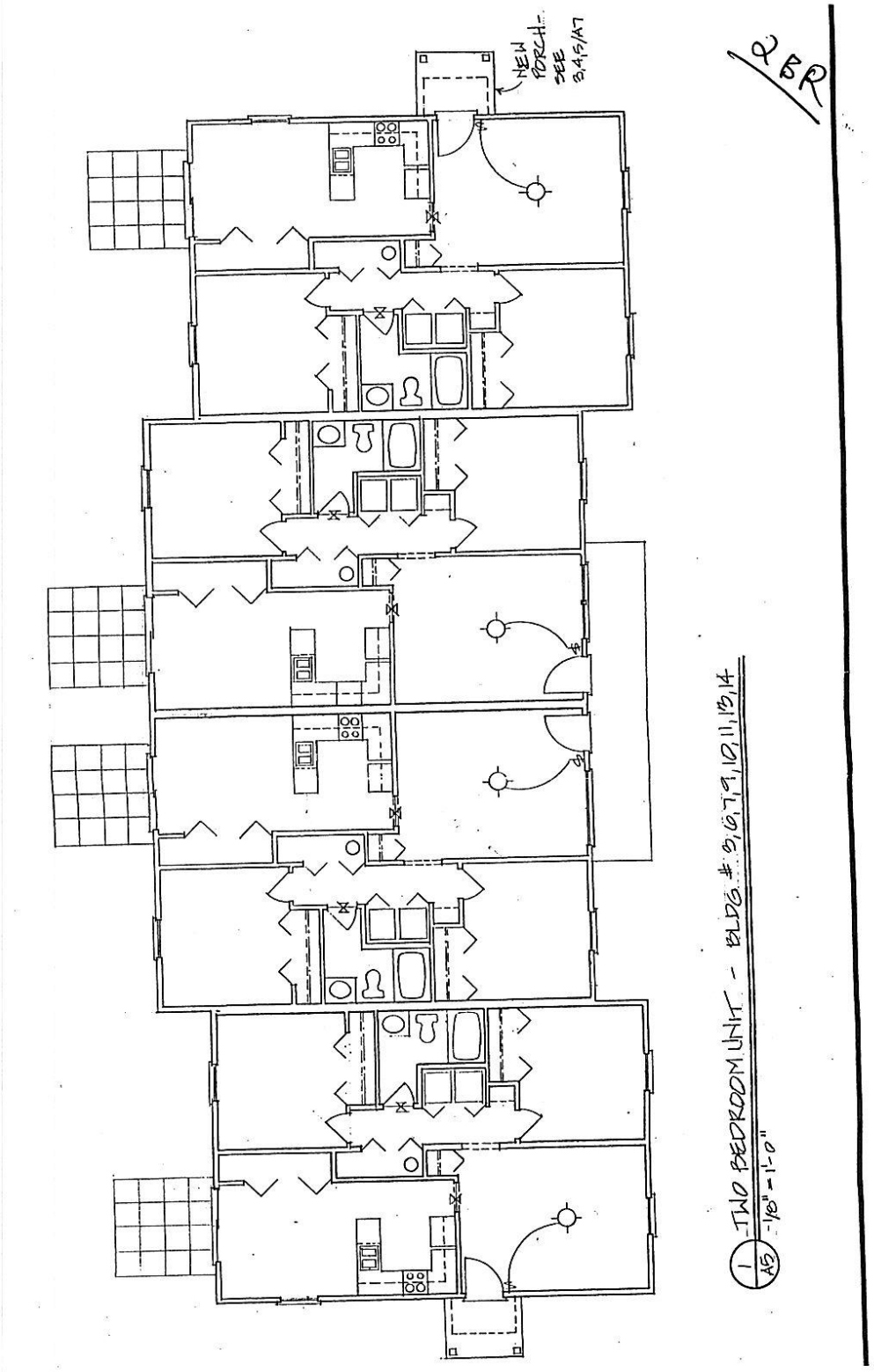
MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.
201 SWANTON WAY SUITE 200 DECATUR GEORGIA 30030-3221 404-373-2800

A4




1 EFFICIENCY / ONE BEDROOM UNIT - BLDG # 2,4,12
A4 1/8" = 1'-0"

MARTIN RILEY ASSOCIATES - ARCHITECTS, P.C.
NEW PORCH - SEE S-4.5/LX7
1A
1B
1C
1D
1 A5 ONE BEDROOM UNIT - BLDG #1
1/8" = 1'-0"


NEW PORCH SEE 3.4.5/A7
2BR
1 A5 TWO BEDROOM UNIT - BLDG. # 5,6,7,9,10,11,13,14
1/8"=1'-0"

| | | |
|---|---|---|
| 1A | 1285 Banks Road | 1 BR |
| 1B | | 1 BR |
| 1C | | 1 BR |
| 1D | | 1 BR |
| 2A | 605 Link Street | 1 BR |
| 2B | | 1 BR |
| 2C | | EFF |
| 2D | | EFF |
| 3A | 706 Archie Street | 2 BR |
| 3B | | 2 BR |
| 3C | | 2 BR |
| 3D | | 2 BR |
| 4A | 802 Archie Street | 1 BR |
| 4B | | H-EFF |
| 4C | | H-EFF |
| 4D | | 1 BR |
| 5A | 806 Archie Street | 3 BR |
| 5B | | 3 BR |
| 6A | 810 Archie Street | 2 BR |
| 6B | | 2 BR |
| 6C | | 2 BR |
| 6D | | 2 BR |
| 7A | 602 Link Street | 2 BR |
| 7B | | 2 BR |
| 7C | | 2 BR |
| 7D | | 2 BR |
| 8A | 814 Archie Street | 3 BR |
| 8B | | 3 BR |
| 9A | 818 Archie Street | 2 BR |
| 9B | | 2 BR |
| 9C | | 2 BR |
| 9D | | 2 BR |
| 10A | 822 Archie Street | 2 BR |
| 10B | | 2 BR |
| 10C | | 2 BR |
| 10D | (Management Office) | 2 BR |
| 11A | 826 Archie Street | 2 BR |
| 11B | | 2 BR |
| 11C | | 2 BR |
| 11D | | 2 BR |
| 12A | 830 Archie Street | H-EFF |
| 12B | | EFF |
| 12C | | 1 BR |
| 12D | | 1 BR |
| 13A | 834 Archie Street | 2 BR |
| 13B | | 2 BR |
| 13C | | 2 BR |
| 13D | | 2 BR |
| 14A | 851 Archie Street | 2 BR |
| 14B | | 2 BR |
| 14C | | 2 BR |
| 14D | | 2 BR |

## ZONING

The subject property is zoned GR, Residential District, by the Town of Fort Mill. According to the Fort Mill zoning ordinance, it is the intent that the GR zoning district be developed and reserved for medium-to-high density residential purposes. The regulations which apply within this district are designed to encourage the formation and continuance of a stable, healthy environment for several different types of dwellings and certain other compatible uses on zoning lots of ten thousand or more square feet, and to discourage unwarranted encroachment of commercial, industrial, or other uses capable of adversely affecting the residential character of the district. Permitted uses withing this district include single-family dwellings (other than mobile homes), two-family dwellings, multifamily dwellings and group dwellings.

The maximum permitted density allowed for multifamily development in a GR district is ten units per acre. The minimum lot area is 10,000 S.F. and the minimum land area per dwelling unit is 10,000 S.F. The minimum lot width measured at the building line is 75 feet and the minimum front yard depth measured from the nearest street right-of-way line is 35 feet. The minimum side yard is ten feet for a principal structure with accessory uses being five feet. The minimum rear yard is 35 feet for a principal structure with accessory uses being five feet. The subject property is currently improved with a 51-unit multifamily development. The improvements appear to represent a legal, conforming use.

## ASSESSMENT AND TAXES

The subject property is in York County. Property valuation and assessment are the responsibility of the York County Assessor. Under South Carolina Statutes and Constitution, all properties in the State of South Carolina are appraised by the County Assessors at Market Value and are 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. Light industrial properties are appraised by the York County Assessor and assessed at 6%. 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 at 4% or 6% of Use Value depending on the type of ownership. Due to the new South Carolina tax law, properties are reappraised at Market Value upon sale. Property owners can then apply for a 25% reduction in the assessment.

The subject property is currently valued by the assessor at a market value of $1,798,700 and taxed based upon a capped value of $1,444,699. The property was assessed in 2025 at 6%, or $86,683. The 2025 taxes, including a $2,016 landfill fee, totaled $51,754.13 and have been paid. The taxes equate to $1,015/unit. The 2025 millage rate for the subject property was 0.5738. The 2026 millage rate has not yet been set. The subject taxes have increased by an average of 10.1% per year over the past three years; however, the majority of this increase occurred during the 2025 reassessment year when the taxes increased by 17.5%.

Due to the point-of-sale tax law enacted in 2007, all properties are appraised at market value upon sale or development. Property owners can apply for a 25% reduction in the appraised value after a sale until the next reassessment, when the 15% cap will take effect. In no case can the reduced appraised value be less than the previous appraised value, not the capped value. Assuming a 2026 sale of the subject property, I have estimated the 2026 taxes using data from the Income Approach to Value in a loaded capitalization rate analysis. Assuming a 2026 sale and a 25% reduction in taxable value, the 2026 taxes are projected at $123,425 as a market rate property. Per USDA requirements, the real estate tax expense for the restricted value in this report is based upon the operating budget.

## 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 zoned GR, Residential District, by the Town of Fort Mill. According to the Fort Mill zoning ordinance, it is the intent that the GR zoning district be developed and reserved for medium-to-high density residential purposes. The regulations which apply within this district are designed to encourage the formation and continuance of a stable, healthy environment for several different types of dwellings and certain other compatible uses on zoning lots of ten thousand or more square feet, and to discourage unwarranted encroachment of commercial, industrial, or other uses capable of adversely affecting the residential character of the district. Permitted uses withing this district include single-family dwellings (other than mobile homes), two-family dwellings, multifamily dwellings and group dwellings.

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***Physically Possible:*** The subject property is located at 822 Archie Street, in the Town of Fort Mill, York County, South Carolina. Archie Street is a no-outlet 50' asphalt paved right-of-way, with streetlights, but without curb and gutter, or sidewalks. The property is also located on the northern side of West Clark Road and has a small amount of frontage on Williamson Street and Link Street. The majority of the property is accessed from Archie Street, while one building is accessed from West Clark Road and two buildings are accessed from Link Street, which terminates at the subject property.

Size/Shape/Access

The most recent recorded plat showing the subject site is dated August 16, 1976 and was prepared by John Quinn Hall, P.L.S and is recorded in the York County Register of Deeds office in plat book 50, at page 56. According to the legal description n the most recent deed, which is based upon this survey, the subject property totals 6.43 acres, plus a strip that is shown running along the Banks Street frontage, but does not have a size or dimensions indicated. The tax assessor's records show a size of 6.56 acres for the subject property and it is reasonable to

[3] Appraisal Institute, *The Appraisal of Real Estate,* 12th ed., p. 305.

assume this strip totals 0.13 acre, therefore, for the purpose of this appraisal I have assumed a size of 6.56 acres. Due to the age of the plat, it is recommended that the property be resurveyed. The site is non-contiguous, with a 0.56 acre portion located south of Archie Street. The 0.56 acre parcel has approximately 236’ of frontage on Archie Street. The larger subject parcel has roughly 755' of frontage on Archie Street, 468’ on West Clark Road, 40’ on Williamson Steet and 40’ on Link Street. The subject tract has an irregular, but functional shape. The size is within the typical range for multi-family properties. Access to the site is considered very good.

Easements

No easements are shown on the survey and none were observed that would adversely affect the value or functionality of the site.

Topography

The site is located in an X Flood Zone. This is an area which does not require flood insurance or preventative construction and design measures. The site has variable sloped topography, with elevation changes of approximately 38 feet across the site. Presumed engineered slopes are present to accommodate the changed elevations. Drainage is assumed to be adequate. The soils are assumed to be typical of those found in the region and capable of supporting the improvements. No unusual soil conditions are known to exist; however, we assume no responsibility for any soil conditions.

Utilities

The subject site has all necessary utilities available to it.

Environmental Considerations

Environmental hazards associated with real estate can include friable asbestos containing materials, contaminated soil, potentially leaking underground storage tanks, and other preexisting or existing chemicals and/or materials on the site or in the buildings. The property was visually inspected for indications of environmental hazards and none were noted. The surrounding area was also visually inspected and no potential environmental hazards were noted which could affect the subject property. However, I am not an expert in this field, and assume no responsibility for any adverse environmental conditions. The client is advised to retain an environmental consultant if so desired.

Conclusion

In summary, the size of the subject tract is within the typical range for multifamily sites in the region. The shape is irregular, but functional and access is good. There are no known adverse physical characteristics. The physical and functional characteristics of the site appear to meet the desires and standards of typical purchasers in the market.

***Financially Feasible:*** Next, I will consider what uses would be financially feasible for the subject properties. The subject neighborhood is located in an area in and surrounding the Town of Fort Mill. The immediate subject neighborhood is considered to be the southern portion of the Town of Fort Mill. This area is bounded roughly by Tom Mill Street to the North, municipal limits to the east, the Catawba River to the south and US Highway 21 to the west. Interstate highway access via I-77 Northbound entrance ramp lies approximately 2.8 miles northwest of the subject property, while downtown Fort Mill's historic core is located just along the northern boundary of the immediate neighborhood. This area blends traditional single-family homes predominantly constructed from the 1970s through 1990s alongside well-maintained multifamily apartment communities within a relatively low-density suburban residential setting. Convenient proximity to Fort Mill's top-rated public school system provides substantial competitive advantage within the housing marketplace. Specific schools serving the immediate neighborhood include Riverview Elementary School, River Trail Elementary School and Banks Trail Middle School, all part of the highly regarded Fort Mill School District 4.

The aforementioned Elizabeth master planned community is located in the southwestern portion of the neighborhood, north of the Catawba River. Beyond predominant residential single-family homes and multifamily apartments, non-residential uses within the neighborhood include small commercial parcels zoned for neighborhood retail along Tom Hall Street, church facilities, and limited office spaces for local professionals. The Elizabeth community incorporates substantial non-residential use, with at least 350,000 square feet of commercial space permitted under the development agreement. Initial commercial phases include the South Mill at Elizabeth retail and flex project, which features approximately 19,868 square feet of retail space, a 15,000-square-foot flex building, and an 85,000-square-foot climate-controlled self-storage facility. An industrially zoned area is also located in the southern portion of the neighborhood, anchored by the the US Foods distribution center, located off Fort Mill Parkway. This is a major facility, identified as the company's second-largest, at over 200,000 S.F. It serves as a key hub for supplying restaurants and foodservice operators in the region. Springfield Golf Club, known as Fort Mill Golf Club, lies just east of the subject property at 101 Country Club Drive, featuring an 18-hole championship course designed by Donald Ross and George Cobb. The club offers memberships starting at $225/month with access to four Leroy Springs courses, clubhouse dining, and practice facilities.

Fort Mill is experiencing explosive population growth, currently ranked as one of the fastest-growing towns in the nation. The population tripled since 2000, reaching 41,764 by 2026 estimates. Growth accelerated after 2010, from 10,811 to 25,204 in 2020, then to 36,244 by 2024 at 7.1% annually. Families dominate with 75% of households and a median age of 36. Median household income stands at $114,321, with 45% holding bachelor's degrees. Projections indicate 55,000 by 2030, supporting sustained rental demand.

Fort Mill's growth and development trends are propelled by its connectivity via Interstate 77, which provides residents and businesses with access to Charlotte's downtown core in 15 minutes to the north as well as the broader Charlotte metropolitan region.

The town's close proximity to Charlotte Douglas International Airport, only 20 minutes away, further enhances its appeal as a logistics and corporate hub for companies serving the Southeast. This strategic infrastructure has driven building permits for new construction to rise by an impressive 20 percent annually in the years immediately preceding 2025, reflecting robust developer confidence and consumer demand before temporary moratoriums were implemented. Residential development during this period added over 4,000 housing units across single-family homes, townhomes, and multifamily apartment complexes, significantly expanding the town's housing inventory to accommodate Charlotte commuters and growing families.

Simultaneously, the commercial development pipeline exceeded $1 billion in proposed projects, encompassing retail shopping centers, Class A office parks, industrial warehouses, and mixed-use developments that capitalize on Fort Mill's position along major transportation corridors. York County's competitive tax structure, available skilled workforce, and business-friendly environment have accelerated this development momentum, positioning Fort Mill as one of the region's most dynamic growth centers.

The town's comprehensive planning initiative titled 'Our Path Forward,' formally adopted in mid-2025, places strategic emphasis on managed density along designated growth corridors such as Carowinds Boulevard and US Highway 521 while prioritizing critical infrastructure improvements including road widenings, sewer system expansions, stormwater management upgrades, and advanced traffic signal systems to accommodate the rapid influx of new residents and commuters. Temporary moratoriums on residential rezoning applications, first enacted by the Town Council in June 2025 and subsequently extended through September 2026, specifically target mounting traffic congestion and infrastructure capacity constraints at key intersections throughout town.

Lennar's master-planned Elizabeth development emerges as one of Fort Mill's most successful recent residential communities, designed with a focus on walkability and extensive lifestyle amenities. At final build-out, the residential portion of the development is planned to include up to 1,285 units, comprising approximately 820 single-family homes and 492 townhomes. The neighborhood environment that includes a resort-style community clubhouse, competition swimming pool, state-of-the-art fitness center, extensive interconnected walking and biking trails linking to multiple neighborhood pocket parks, and dedicated children's play areas.

The development achieved 95 percent sales absorption between 2024 and early 2025, successfully closing on contracts ranging from $450,000 for accessible entry-level two-story townhome configurations to $650,000 for single-family detached models typically featuring four bedrooms, three full bathrooms, finished bonus rooms, and three-car attached garages with epoxy flooring and built-in storage solutions. Additionally, the community includes a substantial commercial component and the Elizabeth Commons multi-family phase, which is planned for 292 apartment units.

DRB Homes' designed Harbins Crossing community provides 250 new homes within a nature-centric residential environment incorporating substantial preserved green space areas, extensive community trail networks winding through wooded conservation easements, multiple children's playground destinations, and neighborhood pools serving families specifically seeking larger premium homesites proximate to Fort Mill's elite public school system.

Williams Reserve represents a substantial forthcoming residential opportunity following formal annexation approval by Fort Mill Town Council during 2025, strategically planning delivery of 500 single-family detached homes alongside 100 townhomes presented in phased construction sequences extending through 2027, with location immediately adjacent to planned expansions of the highly regarded York County School District facilities and featuring advanced smart home technology packages, extensive customization options through nationally recognized production builders, and community amenities including championship swimming complexes, tennis facilities, and extensive recreational programming.

Fort Mill's median existing single-family home sales price has climbed steadily to $565,000 throughout the current market cycle, reflecting impressive 22 percent year-over-year price appreciation directly attributable to chronically low housing inventory levels, robust demand from Charlotte-area corporate relocations, and sustained population growth pressures throughout York County that continue to drive premium pricing across all residential product types.

The Lodges at Fort Mill is a rental-only community offering a mix of one- to three-bedroom apartments, townhomes, and single-family-style homes, located along Fort Mill Highway in the Indian Land / Fort Mill area. It opened in late 2024. Fox Hunt Farms is a modern apartment community located at 355 Amistead Avenue in Fort Mill, operated by Greystar and offering one- to three-bedroom units with higher-end finishes and pet-friendly amenities. The community was completed in 2025 and reportedly stabilized shortly after construction concluded. Vintage Wilson Farms is a new apartment community located at 520 Ridgeline Drive in Fort Mill, developed by TDK and features one- to three-bedroom units with updated interiors and in-unit washers/dryers. The development was completed in 2025 with lease-up currently underway.

Elizabeth Commons is a 292-unit multifamily development under construction in the Elizabeth master planned community, with delivery anticipated in December 2026. The C. Herman Construction project includes four residential buildings, a clubhouse, and multiple outdoor amenity areas.

Williamson Mill is a new development of 200 units through historic adaptive reuse of existing textile-era mill buildings strategically positioned atop vibrant street-level retail within downtown Fort Mill. The property is targeting substantial construction completion during late 2026 while featuring desirable rooftop terrace decks, extensive pedestrian-friendly promenades, and direct connectivity to emerging downtown entertainment districts. The Unique Loom mill site targets conversion to approximately 150 residential units within existing textile manufacturing buildings featuring authentic exposed brick interior finishes alongside thoroughly modern community amenities including professional co-working spaces, pet relief areas, and controlled-access parking solutions.

Mill District plans introduction of 120 contemporary townhome-style residential units positioned near the historic Springs Industries legacy site, successfully blending preserved architectural character with practical private attached garages, fenced rear patios, and comprehensive community programming.

Weidner Apartment Homes' broader strategic portfolio acquisition encompassing approximately 350 additional multifamily units across multiple Fort Mill-area properties during 2025 clearly signals robust institutional investor confidence in the submarket's sustained performance potential, particularly highlighting substantial value-add renovation opportunities through comprehensive interior unit modernizations, enhanced common area amenities, and strategic rate repositioning initiatives.

Fort Mill's multifamily development pipeline currently totals approximately 800 units across various construction stages, while consistently sustaining impressive 95 percent stabilized occupancy levels alongside 12 percent trailing twelve-month net operating income growth even amidst the temporary residential moratorium currently governing new project approvals.

To summarize, the subject property is located at 822 Archie Street, off West Clark Road, just south of the Fort Mill CBD. This area contains primarily residential land uses with supporting neighborhood commercial and service uses along nearby corridors. It is convenient to downtown Fort Mill, area shopping and medical care in both Fort Mil, Rock Hill and the Charlotte area. Fort Mill is one of the fastest growing towns in the country. Corporate relocations and infrastructure investments drive this boom. Residential construction has added over 5,000 units since 2020, while commercial projects line key corridors. A temporary moratorium on residential rezoning, enacted in 2025 and extended into 2026, reflects the town's commitment to sustainable planning through the 'Our Path Forward' initiative.

Multifamily development remains robust, with more than 1,500 units delivered recently at occupancy rates exceeding 95%. Rents have risen 10-15% annually, creating favorable conditions for properties owners. Property values are considered to be stable to appreciating, and the long-term outlook for the neighborhood is very good given ongoing regional population and employment growth.

The subject property is well located in a residential area with good road frontage and access. The subject zoning allows for a variety of residential uses. There appears to be strong demand for both single-family homes and apartments in the area. Therefore, the financially feasible use for the subject property, if vacant, is considered to be residential development. Due to increased development density, multifamily use typically brings a greater return to the land, therefore the most financially feasible use is considered multifamily use.

***Maximally Productive:*** The financially feasible use for the subject property is residential multifamily development. The maximum allowed density is 10 units per acre and the subject site totals 6.56 acres, therefore, the maximally productive use of the subject site is considered to be multifamily family development of up to 65 units.

**Conclusion**

The highest and best use for the subject site "as though vacant" is multifamily development of up to 65 units. The subject site is improved with a 51-unit affordable housing development that was constructed under the USDA Rural Development program, which imposes long-term affordability and income-eligibility restrictions on tenant rents and household incomes. Based upon the conclusions of this report, the improvements add very little value to the site under its current restricted use; however, the interest credit subsidy adds additional value to the property under these regulations. Because of the binding regulatory covenants and program requirements, the only feasible use of the improvements "as improved" is continued operation as a restricted-rent affordable housing property. Consequently, the current use is consistent with the highest and best use of the subject property "as improved. The most probable purchaser is a regional investor or non-profit entity.

## 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 mode 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 form which to extract quantitative information and property value over a number of years, the population movement into an area, and the number of employment opportunities available and their effect on the purchasing power of potential property users. These data can be analyzed and employed to estimate the 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 form 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 the 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 or 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 the market research 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 judgment.[4]

[4] Appraisal Institute, *The Appraisal of Real Estate,* 10th ed., p. 71.

## SITE VALUATION

The most universally accepted method of the valuation of land is by comparison with properties that have recently sold in the competing market. I have researched the market and have located the following sales of properties used in estimating a value for the subject property. All of the sales are located within the subject neighborhood, in or surrounding the Town of Fort Mill. They are shown on a chart at the end of this section entitled "Land Sales Chart."

**Discussion of Adjustments:**

The sales indicate a range in value before adjustments of $86,700 to $296,545/acre and $6,378 to $16,610/unit. 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. I analyzed both indicators.

**Time/Market Conditions:** All of the sales occurred since April 2022. The market for vacant sites in the subject market appears to have been stable over the past three to four years, therefore, no adjustment is warranted.

**Size:** The sales ranged in size from 3.67 to 16.355 acres. Larger sites typically sell for a lower per acre price; however, larger multifamily projects can often support higher land prices per acre because fixed development costs are spread over more units, therefore no adjustment for size is made to the larger sales.

**Location:** Sale No. 1 is located in a new master planned community in Fort Mill and is adjusted -10% for location. Sale Nos. 3 and 4 have inferior locations in western Rock Hill and are adjusted +20% for location.

**Shape/Access:** Sale No. 3 has extensive frontage on two parkways (one planned) and is adjusted -5% for superior shape and access.

**Zoning:** Sale Nos. 1, 2, and 3 are adjusted -22%, -36%, and -13%, respectively, for superior zoning that allows significantly greater development density in comparison to the subject property.

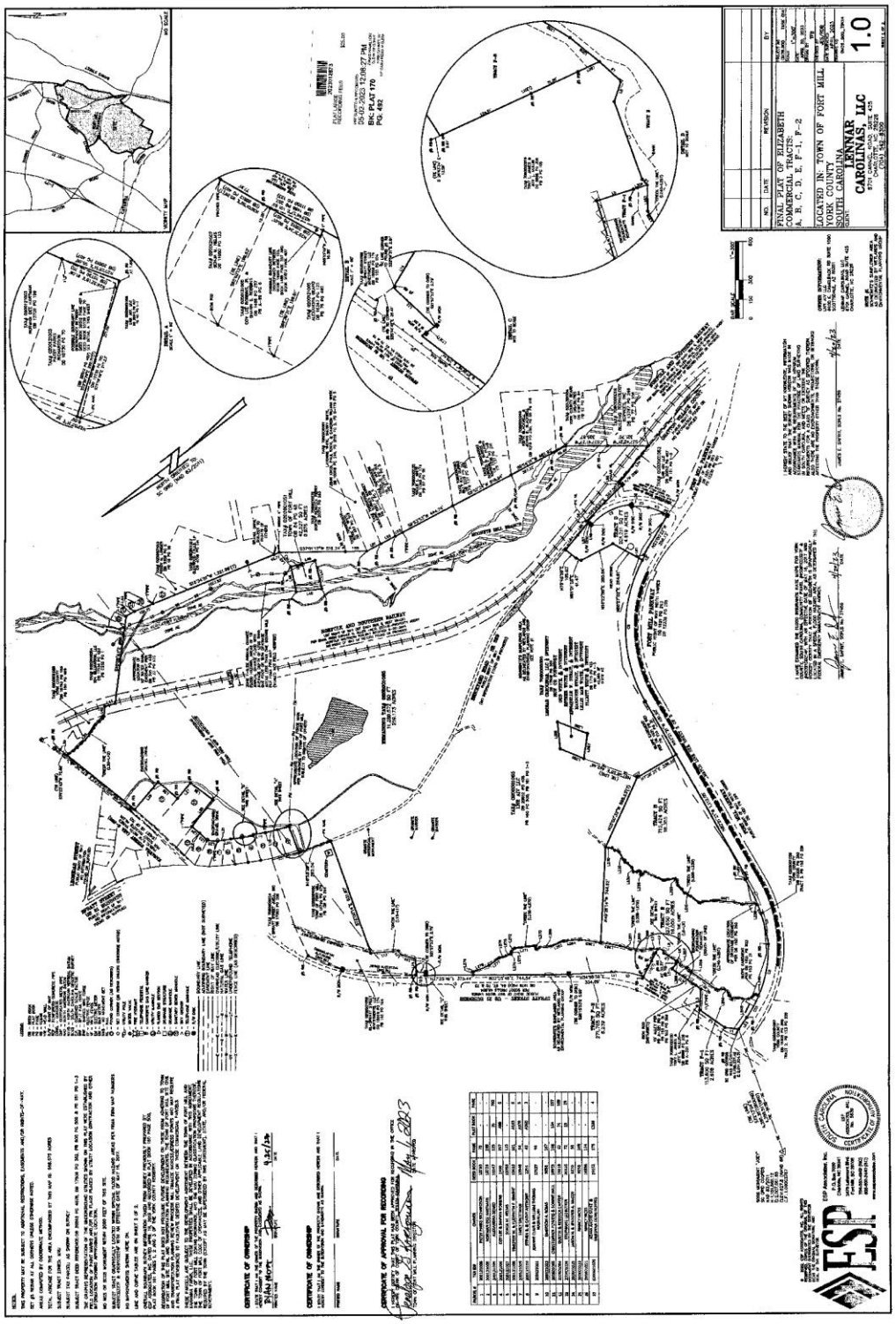
**Conclusion**

After adjustments, the sales range from $4,082 to $11,734/unit, with a mean of $9,251/unit and a median of $10,599/unit. The sales ranged from $104,040–$186,823/acre, with a mean of $144,393/acre and a median of $143,354/acre. The $ per unit indications is given less emphasis as the high-density sales naturally depress the price per unit and the zoning adjustment further lowered this indication. The sales display a great deal of variance even after adjustments due to rental product type, project size, densities, location and developer profile. Based upon the foregoing information, and considering the previous grading and engineering performed on the subject site, I believe that the indicated value would fall in the middle of the range on a per acre basis, at about $145,000/acre. The subject property totals 6.56 acres and the indicated value is $951,200, rounded to $950,000. This equates to $14,615 per allowed unit, which is reasonable considering the subject property's relatively low allowed density. Therefore, the estimated value of the subject site by the Sales Comparison Approach to Value is then **$950,000**.

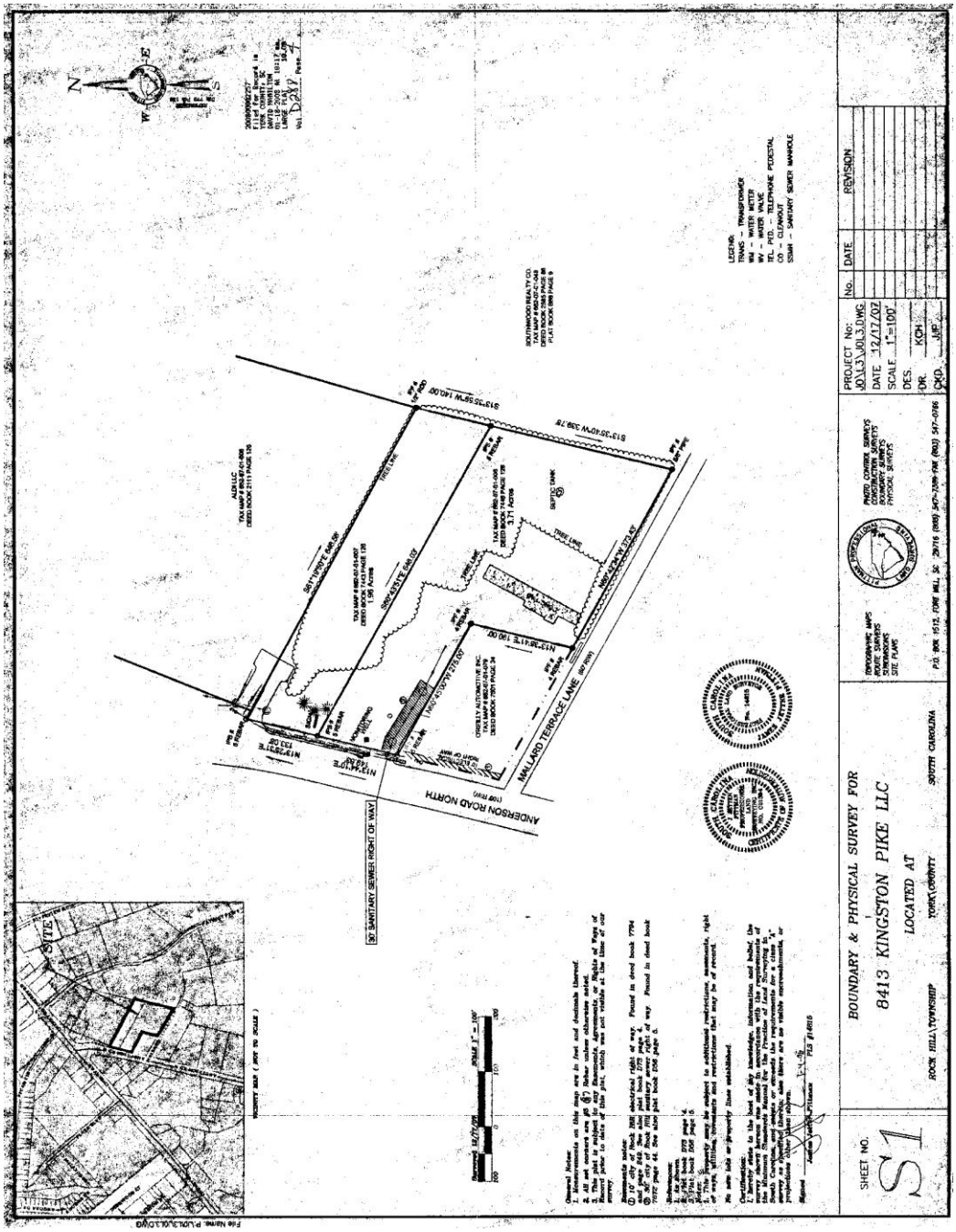
## LAND SALES CHART

| SALE NUMBER | SALE NO. 1 | SALE NO. 2 | SALE NO. 3 | SALE NO. 4 |
|---|---|---|---|---|
| TMS | 0202001148 | 6620701007<br>6620701008 | 5970401051 | 5950101014 |
| LOCATION | Fort Mill Pkwy.<br>Fort Mill | 1132 North<br>Anderson Rd.<br>Rock Hill | 805 Heckle Blvd.<br>Rock Hill | 1861 Main St.<br>Rock Hill |
| ZONING | MXU | GC | MF-R | MF-R |
| SALE DATE | 05-18-23 | 12-09-24 | 06-30-22 | 04-22-22 |
| SELLER | Lennar Carolinas, LLC | 8413 Kingston Pike, LLC | Bryant G. Barnes, Trustee, et al. | Haefele Family Limited Partnership |
| BUYER | CCC Elizabeth Commons, LLC | AHI Marlowe LL, LLC | Magnolia Terrace Apartments, LLC | Housing Authority of the City of Rock Hill |
| DEED REFERENCE | 20758/299 | 21655/201 | 20274/410 | 20136/200 |
| PLAT REFERENCE | 170/492 | D288/4 | 169/269 | B224/8 |
| EFF. SALE PRICE | $4,850,000 | $1,250,000 | $1,565,000 | $880,000 |
| EFF. SIZE (ACRES) | 16.355 | 3.67 | 11.50 | 10.15 |
| EFF. SIZE (SF) | 712,424 | 246,985 | 501,123 | 442,134 |
| PLANNED UNITS | 292 | 196 | 156 | 90 |
| DENSITY | 17.9:1 | 34.6:1 | 13.6:1 | 8.9 |
| SALE PRICE/UNIT | $16,610 | $6,378 | $10,032 | $9,778 |
| SALE PRICE/ACRE | $296,545 | $220,459 | $136,087 | $86,700 |
| SALE PRICE/SF | $6.81 | $5.06 | $3.56 | $1.99 |
| ADJ. | | | | |
| SIZE | -0- | -0- | -0- | -0- |
| LOCATION | -10% | -0- | +20% | +20% |
| SHAPE/ACCESS | -5% | -0- | -0- | -0- |
| TOPOGRAPHY | -0- | -0- | -0- | -0- |
| ZONING | -22% | -36% | -13% | -0- |
| TOTAL ADJUSTMENT | -37% | -36% | +7% | +20% |
| ADJ. SALE PRICE/UNIT | $10,464 | $4,082 | $10,734 | $11,734 |
| ADJ. SALE PRICE/ACRE | $186,823 | $141,094 | $145,613 | $104,040 |

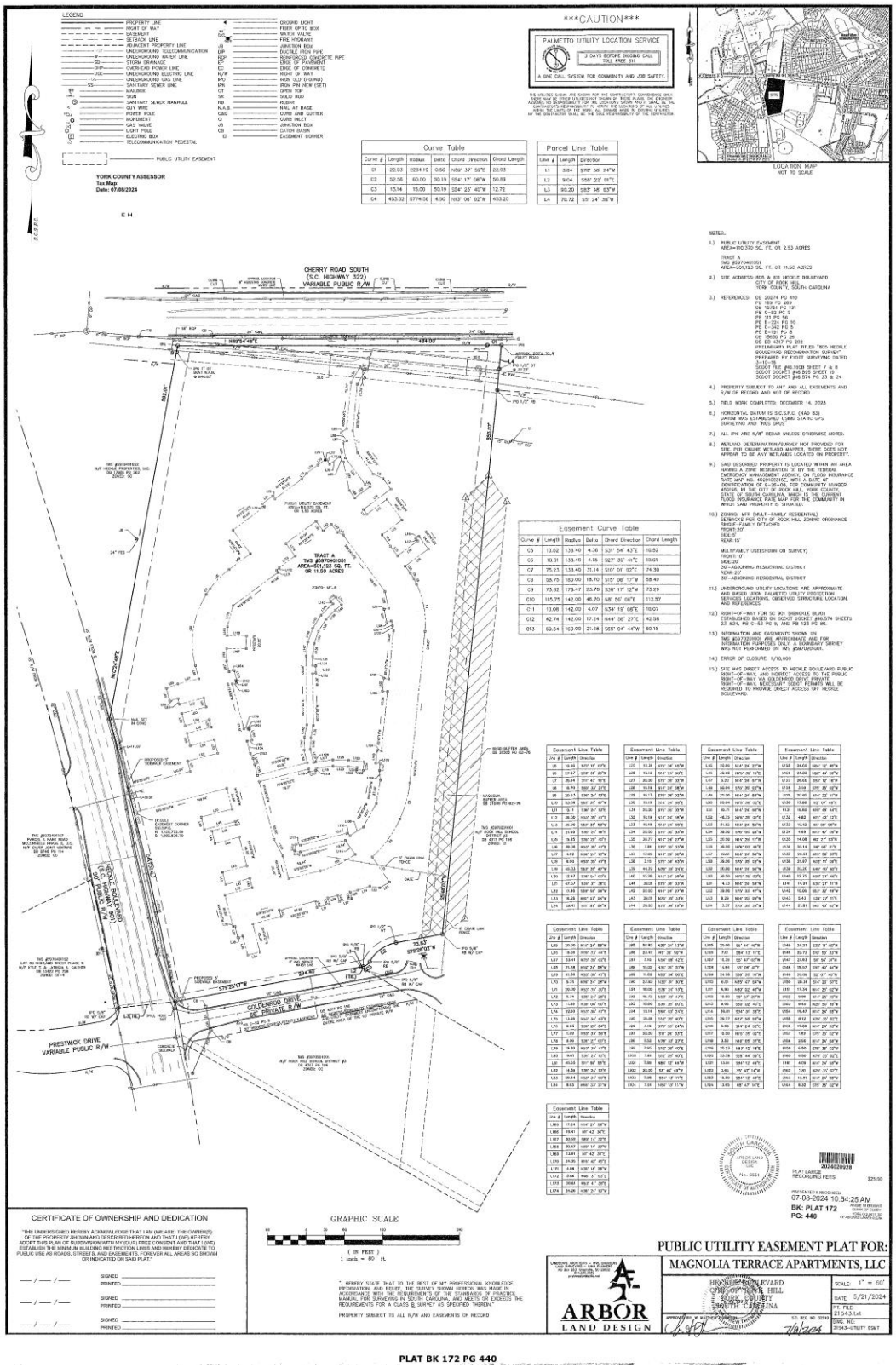
# SALE NO. 1 PLAT



# SALE NO. 2 PLAT



# SALE NO. 3 PLAT




| Curve Table | | | | | |
|---|---|---|---|---|---|
| Curve # | Length | Radius | Delta | Chord Direction | Chord Length |
| C1 | 22.03 | 2234.19 | 0.56 | N89° 37' 59"E | 22.03 |
| C2 | 52.56 | 60.00 | 50.19 | S54° 17' 08"W | 50.89 |
| C3 | 13.14 | 15.00 | 50.19 | S54° 23' 40"W | 12.72 |
| C4 | 453.32 | 5774.58 | 4.50 | N13° 09' 02"W | 453.23 |

| Parcel Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L1 | 3.84 | S78° 56' 24"W |
| L2 | 9.04 | S58° 22' 11"E |
| L3 | 90.20 | S83° 48' 03"W |
| L4 | 70.72 | S7° 24' 38"W |

| Easement Curve Table | | | | | |
|---|---|---|---|---|---|
| Curve # | Length | Radius | Delta | Chord Direction | Chord Length |
| C5 | 10.52 | 138.40 | 4.36 | S31° 54' 43"E | 10.52 |
| C6 | 10.01 | 138.40 | 4.15 | S27° 39' 41"E | 10.01 |
| C7 | 75.23 | 138.40 | 31.14 | S10° 01' 02"E | 74.30 |
| C8 | 58.75 | 150.00 | 18.70 | S15° 08' 17"W | 58.40 |
| C9 | 73.82 | 178.47 | 23.70 | S26° 17' 12"W | 73.29 |
| C10 | 115.75 | 142.00 | 46.70 | N8° 56' 08"E | 112.57 |
| C11 | 10.08 | 142.00 | 4.07 | N34° 15' 08"E | 10.07 |
| C12 | 42.74 | 142.00 | 17.24 | N44° 56' 27"E | 42.58 |
| C13 | 60.54 | 150.00 | 21.68 | S65° 04' 44"W | 60.18 |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L5 | 10.35 | N17° 19' 10"E |
| L6 | 17.47 | S35° 31' 34"W |
| L7 | 35.14 | S11° 47' 18"E |
| L8 | 18.79 | S60° 33' 31"E |
| L9 | 20.43 | S36° 24' 13"E |
| L10 | 53.18 | S83° 39' 47"W |
| L11 | 5.11 | S36° 24' 13"E |
| L12 | 36.05 | N32° 35' 47"E |
| L13 | 36.95 | S83° 39' 58"W |
| L14 | 23.88 | S36° 24' 16"E |
| L15 | 19.25 | S56° 29' 10"E |
| L16 | 38.58 | N60° 35' 47"E |
| L17 | 6.82 | S36° 24' 13"E |
| L18 | 4.84 | N59° 35' 47"E |
| L19 | 10.63 | S84° 39' 47"W |
| L20 | 12.97 | S36° 24' 13"E |
| L21 | 47.57 | S24° 37' 38"E |
| L22 | 17.45 | S84° 56' 34"W |
| L23 | 16.28 | N80° 37' 54"W |
| L24 | 16.41 | S17° 41' 54"W |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L25 | 29.06 | N14° 24' 59"W |
| L26 | 19.64 | N76° 17' 47"E |
| L27 | 23.41 | N25° 01' 47"E |
| L28 | 21.28 | N16° 24' 59"W |
| L29 | 5.00 | N83° 35' 47"E |
| L30 | 6.75 | N16° 24' 29"W |
| L31 | 20.00 | N83° 35' 30"E |
| L32 | 5.75 | S36° 24' 49"E |
| L33 | 11.49 | N35° 06' 49"E |
| L34 | 12.19 | N21° 35' 47"E |
| L35 | 13.84 | N62° 35' 47"E |
| L36 | 6.93 | S36° 24' 34"E |
| L37 | 1.49 | S83° 39' 58"W |
| L38 | 8.09 | S28° 27' 10"E |
| L39 | 19.83 | N53° 31' 47"E |
| L40 | 9.40 | S36° 24' 13"E |
| L41 | 49.55 | S11° 58' 58"E |
| L42 | 14.26 | S36° 24' 13"E |
| L43 | 28.44 | S53° 31' 58"E |
| L44 | 8.83 | N83° 35' 31"W |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L45 | 10.31 | S15° 24' 45"W |
| L46 | 26.92 | N74° 35' 15"E |
| L47 | 5.20 | N14° 24' 57"E |
| L48 | 58.84 | S75° 35' 03"E |
| L49 | 20.00 | N14° 24' 59"W |
| L50 | 59.84 | N75° 35' 03"E |
| L51 | 16.71 | S14° 24' 59"E |
| L52 | 48.76 | N76° 25' 27"E |
| L53 | 21.82 | N14° 24' 59"W |
| L54 | 58.84 | S75° 35' 03"E |
| L55 | 20.00 | N14° 24' 59"W |
| L56 | 36.00 | S76° 35' 03"E |
| L57 | 10.42 | N14° 24' 59"W |
| L58 | 26.06 | S75° 35' 03"E |
| L59 | 35.00 | N14° 24' 59"W |
| L60 | 36.00 | N75° 35' 03"E |
| L61 | 14.72 | N14° 24' 59"W |
| L62 | 36.86 | S75° 35' 47"E |
| L63 | 8.26 | N14° 35' 59"W |
| L64 | 13.32 | S75° 35' 34"E |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L65 | 22.85 | S14° 24' 27"W |
| L66 | 26.92 | N75° 35' 15"E |
| L67 | 5.20 | N14° 24' 57"E |
| L68 | 58.84 | S75° 35' 03"E |
| L69 | 20.00 | N14° 24' 59"W |
| L70 | 59.84 | N75° 35' 03"E |
| L71 | 16.71 | S14° 24' 59"E |
| L72 | 48.76 | N76° 25' 27"E |
| L73 | 21.82 | N14° 24' 59"W |
| L74 | 58.84 | S75° 35' 03"E |
| L75 | 20.00 | N14° 24' 59"W |
| L76 | 36.00 | S76° 35' 03"E |
| L77 | 10.42 | N14° 24' 59"W |
| L78 | 26.06 | S75° 35' 03"E |
| L79 | 35.00 | N14° 24' 59"W |
| L80 | 36.00 | N75° 35' 03"E |
| L81 | 14.72 | N14° 24' 59"W |
| L82 | 36.86 | S75° 35' 47"E |
| L83 | 8.26 | N14° 35' 59"W |
| L84 | 13.32 | S75° 35' 34"E |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L85 | 29.06 | N14° 24' 59"W |
| L86 | 19.64 | N76° 17' 47"E |
| L87 | 23.41 | N25° 01' 47"E |
| L88 | 21.28 | N16° 24' 59"W |
| L89 | 5.00 | N83° 35' 47"E |
| L90 | 6.75 | N16° 24' 29"W |
| L91 | 20.00 | N83° 35' 30"E |
| L92 | 5.75 | S36° 24' 49"E |
| L93 | 11.49 | N35° 06' 49"E |
| L94 | 12.19 | N21° 35' 47"E |
| L95 | 13.84 | N62° 35' 47"E |
| L96 | 6.93 | S36° 24' 34"E |
| L97 | 1.49 | S83° 39' 58"W |
| L98 | 8.09 | S28° 27' 10"E |
| L99 | 19.83 | N53° 31' 47"E |
| L100 | 9.40 | S36° 24' 13"E |
| L101 | 49.55 | S11° 58' 58"E |
| L102 | 14.26 | S36° 24' 13"E |
| L103 | 28.44 | S53° 31' 58"E |
| L104 | 8.83 | N83° 35' 31"W |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L105 | 10.31 | S15° 24' 45"W |
| L106 | 26.92 | N74° 35' 15"E |
| L107 | 5.20 | N14° 24' 57"E |
| L108 | 58.84 | S75° 35' 03"E |
| L109 | 20.00 | N14° 24' 59"W |
| L110 | 59.84 | N75° 35' 03"E |
| L111 | 16.71 | S14° 24' 59"E |
| L112 | 48.76 | N76° 25' 27"E |
| L113 | 21.82 | N14° 24' 59"W |
| L114 | 58.84 | S75° 35' 03"E |
| L115 | 20.00 | N14° 24' 59"W |
| L116 | 36.00 | S76° 35' 03"E |
| L117 | 10.42 | N14° 24' 59"W |
| L118 | 26.06 | S75° 35' 03"E |
| L119 | 35.00 | N14° 24' 59"W |
| L120 | 36.00 | N75° 35' 03"E |
| L121 | 14.72 | N14° 24' 59"W |
| L122 | 36.86 | S75° 35' 47"E |
| L123 | 8.26 | N14° 35' 59"W |
| L124 | 13.32 | S75° 35' 34"E |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L125 | 29.06 | N14° 24' 59"W |
| L126 | 19.64 | N76° 17' 47"E |
| L127 | 23.41 | N25° 01' 47"E |
| L128 | 21.28 | N16° 24' 59"W |
| L129 | 5.00 | N83° 35' 47"E |
| L130 | 6.75 | N16° 24' 29"W |
| L131 | 20.00 | N83° 35' 30"E |
| L132 | 5.75 | S36° 24' 49"E |
| L133 | 11.49 | N35° 06' 49"E |
| L134 | 12.19 | N21° 35' 47"E |
| L135 | 13.84 | N62° 35' 47"E |
| L136 | 6.93 | S36° 24' 34"E |
| L137 | 1.49 | S83° 39' 58"W |
| L138 | 8.09 | S28° 27' 10"E |
| L139 | 19.83 | N53° 31' 47"E |
| L140 | 9.40 | S36° 24' 13"E |
| L141 | 49.55 | S11° 58' 58"E |
| L142 | 14.26 | S36° 24' 13"E |
| L143 | 28.44 | S53° 31' 58"E |
| L144 | 8.83 | N83° 35' 31"W |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L145 | 20.00 | S5° 44' 46"W |
| L146 | 7.01 | S84° 12' 12"E |
| L147 | 15.25 | S2° 47' 02"W |
| L148 | 14.84 | S5° 08' 41"E |
| L149 | 10.58 | S39° 31' 13"W |
| L150 | 6.01 | N85° 47' 04"W |
| L151 | 4.86 | N82° 32' 44"W |
| L152 | 10.80 | S7° 27' 17"E |
| L153 | 9.96 | S82° 05' 40"E |
| L154 | 29.81 | S14° 31' 38"E |
| L155 | 29.77 | N3° 40' 55"W |
| L156 | 9.83 | S14° 24' 08"E |
| L157 | 10.36 | N11° 35' 12"E |
| L158 | 3.83 | N12° 55' 33"E |
| L159 | 23.53 | N83° 12' 15"E |
| L160 | 13.78 | S78° 44' 58"E |
| L161 | 13.61 | S84° 12' 14"E |
| L162 | 3.85 | S7° 47' 47"W |
| L163 | 16.80 | S84° 12' 49"E |
| L164 | 13.95 | N5° 47' 14"E |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L165 | 24.25 | S35° 11' 08"W |
| L166 | 32.73 | S10° 55' 33"W |
| L167 | 11.25 | S2° 47' 02"W |
| L168 | 19.37 | S10° 40' 46"W |
| L169 | 10.16 | S2° 01' 47"E |
| L170 | 9.44 | N25° 01' 47"E |
| L171 | 19.67 | N14° 24' 59"W |
| L172 | 8.12 | S75° 35' 03"E |
| L173 | 17.00 | N14° 24' 59"W |
| L174 | 1.97 | S75° 35' 03"E |
| L175 | 2.56 | N14° 24' 59"W |
| L176 | 6.50 | S75° 35' 03"E |
| L177 | 6.50 | S75° 35' 03"E |
| L178 | 4.19 | N14° 24' 59"W |
| L179 | 1.91 | S75° 35' 03"E |
| L180 | 15.91 | N14° 24' 59"W |
| L181 | 8.22 | S75° 35' 03"E |

| Easement Line Table | | |
|---|---|---|
| Line # | Length | Direction |
| L182 | 17.24 | N14° 24' 59"W |
| L183 | 19.41 | N7° 42' 36"E |
| L184 | 30.00 | S84° 14' 23"E |
| L185 | 39.67 | N25° 14' 23"W |
| L186 | 13.49 | N7° 42' 36"E |
| L187 | 24.26 | N14° 48' 49"E |
| L188 | 4.68 | N25° 18' 28"W |
| L189 | 3.66 | N68° 31' 03"E |
| L190 | 30.61 | N62° 41' 28"E |
| L191 | 24.26 | N28° 31' 12"W |

CERTIFICATE OF OWNERSHIP AND DEDICATION

"I/WE UNDERSIGNED HEREBY ACKNOWLEDGE THAT I AM (WE ARE) THE OWNER(S) OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT I (WE) HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH MY (OUR) FREE CONSENT AND THAT I (WE) ESTABLISH THE MINIMUM BUILDING RESTRICTION LINES AND HEREBY DEDICATE TO PUBLIC USE AS ROADS, STREETS, AND EASEMENTS, FOREVER ALL AREAS SO SHOWN OR INDICATED ON SAID PLAT."

SIGNED
PRINTED

SIGNED
PRINTED

SIGNED
PRINTED

"I, HEREBY STATE THAT TO THE BEST OF MY PROFESSIONAL KNOWLEDGE, INFORMATION AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE STANDARDS OF PRACTICE MANUAL FOR SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS R SURVEY AS SPECIFIED THEREIN."

PROPERTY SUBJECT TO ALL R/W AND EASEMENTS OF RECORD

ARBOR LAND DESIGN
LANDSCAPE ARCHITECTS + SITE DESIGNERS
PO BOX 913, YORK, SC 29745
803.684.2123
arborlanddesign.com

PUBLIC UTILITY EASEMENT PLAT FOR:

MAGNOLIA TERRACE APARTMENTS, LLC

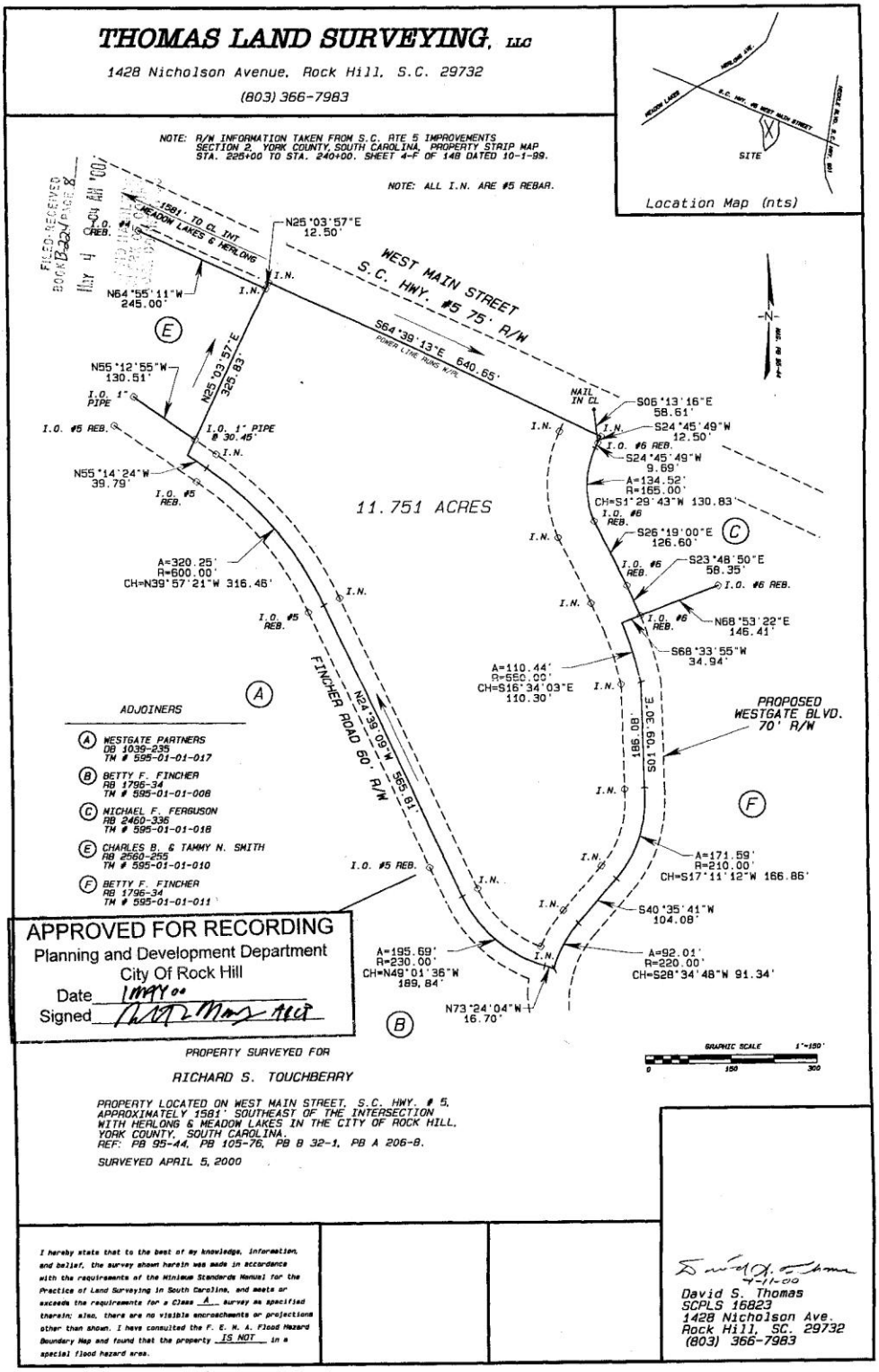
HIGHWAY 322 & MIDDLE BOULEVARD
CITY OF ROCK HILL
YORK COUNTY
SOUTH CAROLINA

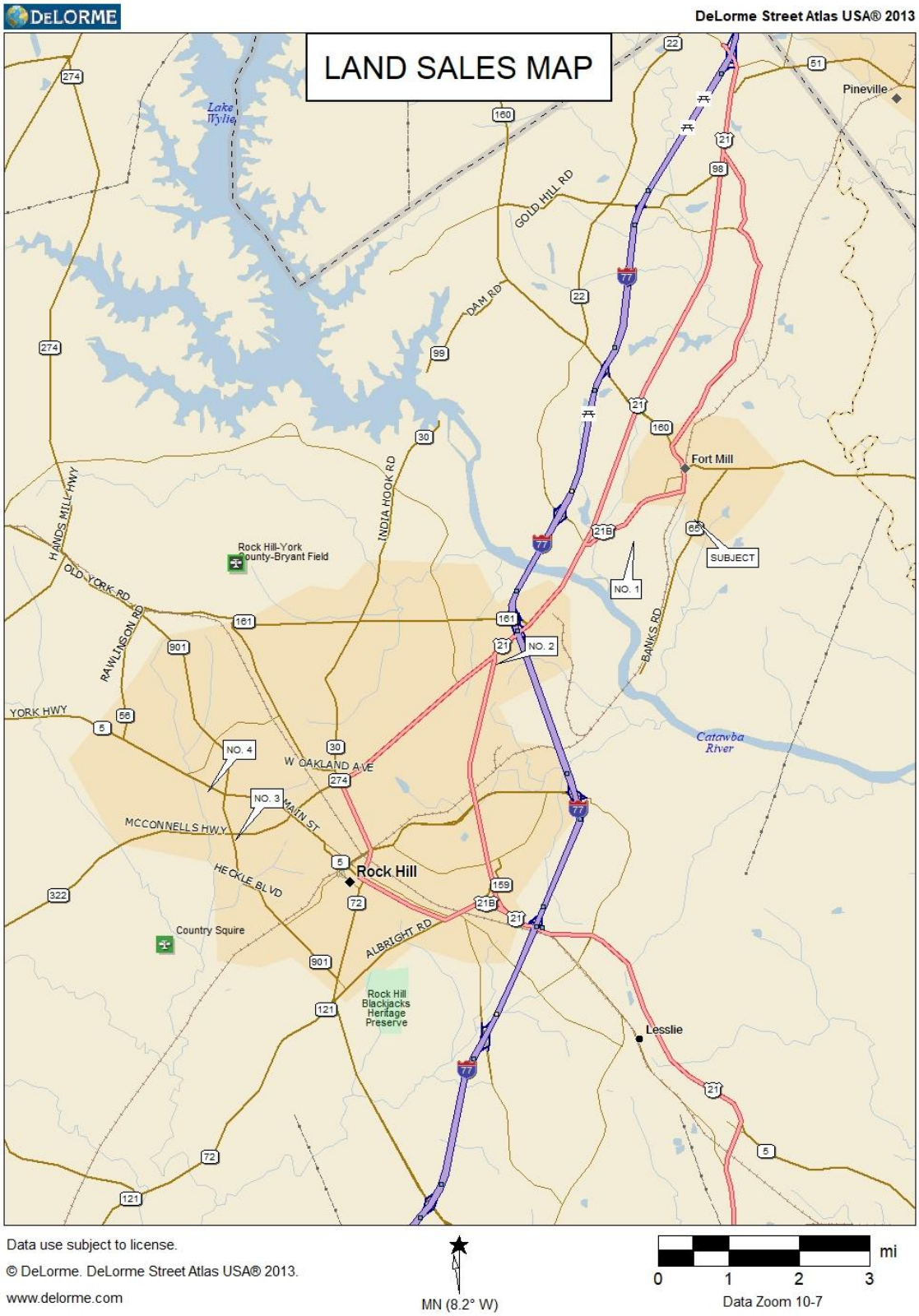
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PLT FILE: 21543.txt
DWG FILE: 21543-UTILITY ESMT

7/1/2024

2024020920
PLAT LARGE RECORDING FEES $25.00
PRESENTED & RECORDED:
07-08-2024 10:54:25 AM
BK: PLAT 172
PG: 440

# SALE NO. 4 PLAT




DELORME
DeLorme Street Atlas USA® 2013
LAND SALES MAP
Lake Wylie
Pineville
Fort Mill
SUBJECT
NO. 1
NO. 2
NO. 3
NO. 4
Rock Hill-York County-Bryant Field
Rock Hill
Country Square
Rock Hill Blackjacks Heritage Preserve
Lesslie
Catawba River
GOLD HILL RD
DAM RD
INDIA HOOK RD
HANDS MILL HWY
OLD YORK RD
RAWLINSON RD
YORK HWY
W OAKLAND AVE
MAIN ST
MCCONNELLS HWY
HECKLE BLVD
ALBRIGHT RD
BANKS RD
Data use subject to license.
© DeLorme. DeLorme Street Atlas USA® 2013.
www.delorme.com
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Data Zoom 10-7

## INCOME APPROACH TO VALUE

According to the principle of anticipation, value is based on the expectation of future benefits. The income capitalization process involves converting future benefits into present value. There are two methods used in arriving at a value estimate by the Income Approach to Value: Direct Capitalization and Yield Capitalization. The Direct Capitalization Method is well suited for stabilized properties and is discussed below:

> **Direct Capitalization:** The basic premise of direct capitalization is that no prudent investor would pay more for a property than the value indicated by capitalizing or dividing the net operating income by a rate of return shown to be desired in the market for that type of property. Direct capitalization converts one year's income into a value indication. The major steps in direct capitalization are to estimate potential gross income, deduct an appropriate vacancy and credit loss allowance to arrive at effective gross income, then deduct all expenses attributable to the real estate which leaves net operating income. The net operating income is then divided by an overall rate developed from the market to arrive at a value indication.

The subject property includes 51 apartments rented under the USDA Rural Development (RD) program. The subject property is currently 98% occupied and I have used the direct capitalization method to estimate the Market Value "As Is" of the leased fee estate of the subject property, subject to the current restricted rents. I have also used the direct capitalization method to estimate the Market Value of the leased fee estate of the subject property based on market rents and under the hypothetical condition that the property is stabilized as a market rent property.

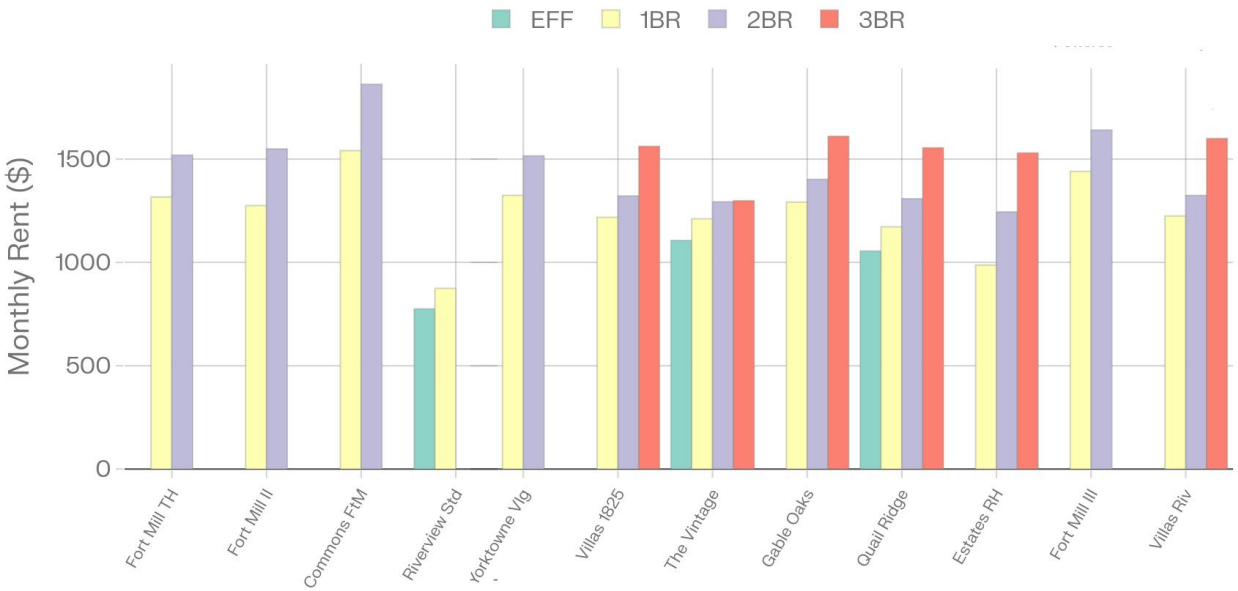
### Market Rate Rent Comparables

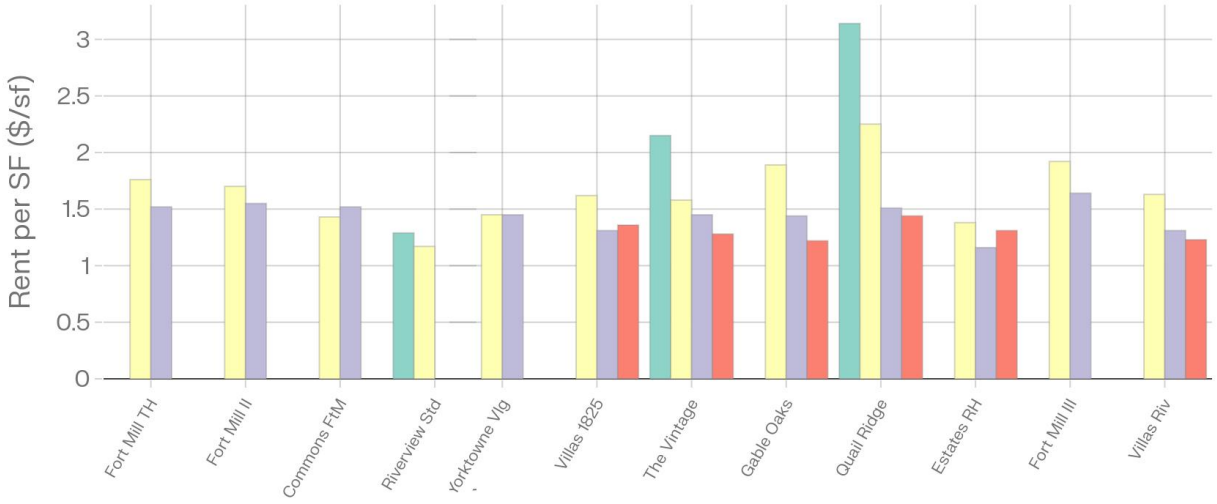
I have researched the market and have located market rents for apartments that would be considered competition for the subject property if operated as a conventional property at market rents. All comparable properties are located within a 7-mile radius of the subject property in either the Town of Fort Mill or the northeastern portion of the adjacent City of Rock Hill. Comparables were chosen which encompass the subject unit mix that were constructed between 1972 and 2009. The rents are summarized on a table on the next page and details for each property follow.

## RENT COMPARABLE SUMMARY TABLE

| Property Name | EFF Avg. Size | EFF Avg. Rent | EFF $/SF | 1BR Avg. Size | 1BR Avg. Rent | 1BR $/SF | 2BR Avg. Size | 2BR Avg. Rent | 2BR $/SF | 3BR Avg. Size | 3BR Avg. Rent | 3BR $/SF |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Fort Mill Townhomes | | | | 750 | $1,317 | $1.76 | 1,000 | $1,520 | $1.52 | | | |
| Fort Mill II Townhomes | | | | 750 | $1,275 | $1.70 | 1,000 | $1,550 | $1.55 | | | |
| The Commons | | | | | | | 1,078 | $1,541 | $1.43 | 1,229 | $1,863 | $1.52 |
| Riverview Studios | 600 | $775 | $1.29 | 750 | $875 | $1.17 | | | | | | |
| Yorktowne Village | | | | 600 | $1,325 | $2.21 | 1,048 | $1,516 | $1.45 | | | |
| Villas at 1825 | | | | 750 | $1,218 | $1.62 | 1,007 | $1,322 | $1.31 | 1,150 | $1,562 | $1.36 |
| The Vintage | 515 | $1,107 | $2.15 | 764 | $1,211 | $1.58 | 894 | $1,294 | $1.45 | 1,012 | $1,299 | $1.28 |
| Estates at Rock Hill | | | | 683 | $1,292 | $1.89 | 975 | $1,403 | $1.44 | 1,321 | $1,611 | $1.22 |
| Gable Oaks | 336 | $1,055 | $3.14 | 520 | $1,172 | $2.25 | 864 | $1,309 | $1.51 | 1,080 | $1,555 | $1.44 |
| Quail Ridge | | | | 714 | $987 | $1.38 | 1,075 | $1,245 | $1.16 | 1,166 | $1,530 | $1.31 |
| Fort Mill III | | | | 750 | $1,441 | $1.92 | 1,000 | $1,641 | $1.64 | | | |
| Villas at Riverview | | | | 750 | $1,225 | $1.63 | 1,008 | $1,325 | $1.31 | 1,300 | $1,600 | $1.23 |

**RENT COMPARABLE**
**AVERAGE RENT AND AVERAGE RENT/S.F.**



## RENT COMPARABLE AMENITY MATRIX

| Amenity | Fort Mill Townhomes | Fort Mill II Townhomes | The Commons at Fort Mill | Kensington Place | Yorktowne Village | Villas at 1825 |
|---|---|---|---|---|---|---|
| Central AC | Yes | Yes | Yes | Yes | Yes | Yes |
| Dishwasher | No | No | Yes | No | Yes | No |
| Disposal | No | No | No | No | Yes | No |
| Oven/Range | Yes | Yes | Yes | Yes | Yes | Yes |
| Refrigerator | Yes | Yes | Yes | Yes | Yes | Yes |
| W/D Hookup | Yes | Yes | Yes | No | Yes | No |
| Hardwood Floors | No | No | No | No | No | No |
| Vinyl Plank | No | No | Yes | No | No | No |
| Carpet | Yes | Yes | Yes | Yes | Yes | Yes |
| Walk-In Closet | No | No | Yes | No | No | No |
| Balcony/Patio | No | No | Yes | No | Yes | No |
| Clubhouse | Yes | Yes | Yes | Yes | Yes | Yes |
| Fitness Center | No | No | Yes | No | Yes | No |
| Swimming Pool | No | No | No | No | Yes | No |
| Playground | Yes | Yes | Yes | Yes | No | No |
| Picnic Area | Yes | Yes | Yes | Yes | Yes | No |
| On-Site Mgmt | No | No | Yes | Yes | Yes | Yes |
| Business Center | No | No | Yes | No | No | No |
| Central Laundry | Yes | Yes | Yes | Yes | Yes | Yes |
| Pet Park | No | No | No | No | No | No |
| Tennis Court | No | No | No | No | No | No |
| Gated Community | No | No | No | No | No | No |
| Elevator | No | No | No | No | No | No |
| Controlled Access | No | No | Yes | No | No | No |

## RENT COMPARABLE AMENITY MATRIX (CONT.)

| Amenity | The Vintage | Estates at Rock Hill | Gable Oaks | Quail Ridge | Fort Mill III | Villas at Riverview |
|---|---|---|---|---|---|---|
| Central AC | Yes | Yes | Yes | Yes | Yes | Yes |
| Dishwasher | Yes | Yes | Yes | Yes | No | Yes |
| Disposal | Yes | Yes | No | Yes | No | Yes |
| Oven/Range | Yes | Yes | Yes | Yes | Yes | Yes |
| Refrigerator | Yes | Yes | Yes | Yes | Yes | Yes |
| W/D Hookup | Yes | No | No | Yes | Yes | No |
| Hardwood Floors | Yes | No | No | No | No | No |
| Vinyl Plank | Yes | Yes | Yes | Yes | No | No |
| Carpet | Yes | Yes | Yes | Yes | Yes | Yes |
| Walk-In Closet | Yes | Yes | Yes | Yes | No | No |
| Balcony/Patio | Yes | Yes | Yes | Yes | No | Yes |
| Clubhouse | Yes | Yes | Yes | Yes | Yes | Yes |
| Fitness Center | Yes | Yes | No | Yes | No | Yes |
| Swimming Pool | No | Yes | Yes | Yes | No | No |
| Playground | No | Yes | Yes | Yes | Yes | No |
| Picnic Area | No | Yes | Yes | Yes | Yes | Yes |
| On-Site Mgmt | Yes | Yes | Yes | Yes | No | Yes |
| Business Center | No | Yes | No | Yes | No | No |
| Central Laundry | Yes | Yes | Yes | Yes | Yes | Yes |
| Pet Park | No | No | No | Yes | No | No |
| Tennis Court | No | No | No | No | No | No |
| Gated Community | No | No | No | No | No | No |
| Elevator | Yes | No | No | No | No | No |
| Controlled Access | Yes | No | Yes | Yes | No | No |

**RENT COMPARABLE #1**

**Fort Mill Townhomes**
100 Bollin Cir, Fort Mill, SC 29715

**Distance from Subject:** 2.1 Miles
**County:** York
**Year Built/Renovated:** 1984/2006
**Stories:** 2
**Total Units:** 52
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 1.9%



## *PROPERTY DETAILS*

**Land Area:** 7.05 AC (307,098 SF)
**Average Unit Size:** 846 SF
**Building FAR:** 0.14
**Construction Type:** Wood Frame
**Number of Buildings:** 7
**Units Per Area:** 7/AC
**Parcel:** 0200114014

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 1 | 1 | 750 | $1,317 | $1.76 |
| 2 | 1.5 | 1,000 | $1,520 | $1.52 |

## *KEY AMENITIES*

- Air Conditioning
- Cable Ready
- Ceiling Fans
- Heating
- Kitchen
- Refrigerator
- Tub/Shower
- Washer/Dryer
- Wheelchair Accessible (Rooms)
- Courtyard
- Fitness Center
- Laundry Facilities
- Maintenance on site
- Picnic Area
- Playground
- Property Manager on Site

## *PROPERTY NOTES*

Parking: 1.75/Unit; 91 Surface Spaces

**RENT COMPARABLE #2**

**Fort Mill Townhomes II**
200 Drane Cir, Fort Mill, SC 29715

**Distance from Subject:** 1.3 Miles
**County:** York
**Year Built/Renovated:** 1985
**Stories:** 2
**Total Units:** 46
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 2.2%



## *PROPERTY DETAILS*

**Land Area:** 4.95 AC (215,622 SF)
**Average Unit Size:** 815 SF
**Building FAR:** 0.28
**Construction Type:** Wood Frame
**Number of Buildings:** 6
**Units Per Area:** 9/AC
**Parcel:** 0200501022

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 1 | 1 | 750 | $1,241 | $1.65 |
| 2 | 1.5 | 1,000 | $1,641 | $1.64 |

## *KEY AMENITIES*

- Air Conditioning
- Heating
- Kitchen
- Oven
- Range
- Tub/Shower
- 24 Hour Access
- Online Services
- Smoke Detector
- Tenant Controlled HVAC
- Walk-Up

## *PROPERTY NOTES*

Parking: 2.61/Unit; 120 Surface Spaces

**RENT COMPARABLE #3**

**The Commons at Fort Mill**
221 Embassy Dr, Fort Mill, SC 29715

**Distance from Subject:** 5.0 Miles
**County:** York
**Year Built/Renovated:** 2009
**Stories:** 3
**Total Units:** 144
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 9.7%



## *PROPERTY DETAILS*

**Land Area:** 10.24 AC (446,054 SF)
**Average Unit Size:** 1,116 SF
**Building FAR:** 0.51
**Construction Type:** Masonry
**Number of Buildings:** 5
**Units Per Area:** 14/AC
**Parcel:** 7190000194

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 2 | 2 | 1,065 | $1,508 | $1.42 |
| 2 | 2 | 1,085 | $1,558 | $1.44 |
| 3 | 2 | 1,229 | $1,863 | $1.52 |

## *KEY AMENITIES*

- Air Conditioning
- Balcony
- Cable Ready
- Carpet
- Ceiling Fans
- Crown Molding
- Dishwasher
- Fireplace
- Grill
- High Speed Internet Access
- Kitchen
- Linen Closet
- Microwave
- Oven
- Patio
- Walk-In Closets
- Washer/Dryer
- Washer/Dryer Hookup
- Wheelchair Accessible
- Wi-Fi
- 24 Hour Access
- Clubhouse
- Corporate Suites
- Courtyard
- Disposal Chutes
- Fitness Center
- Gated
- Laundry Facilities
- Online Services
- Range
- Package Service
- Pet Play Area
- Picnic Area
- Playground
- Pool
- Property Manager on Site
- Refrigerator
- Satellite TV
- Smoke Free
- Stainless Steel Appliances
- Trash Pickup - Door to Door
- Walking/Biking Trails
- Storage Space
- Tub/Shower

## *PROPERTY NOTES*

Parking: 2.78/Unit; 300 Surface Spaces

**RENT COMPARABLE #4**

**Riverview Studio Apartments**
1420-1442 Riverview Rd, Rock Hill, SC 29732

**Distance from Subject:** 5.1 Miles
**County:** York
**Year Built/Renovated:** 1988
**Stories:** 2
**Total Units:** 28
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 7.1%



## *PROPERTY DETAILS*

**Average Unit Size:** 675 SF
**Building FAR:** 3.86
**Construction Type:** Wood Frame
**Number of Buildings:** 2
**Parcel:** 6360101014

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| Studio | 1 | 600 | $775 | $1.29 |
| 1 | 1 | 750 | $875 | $1.17 |

## *KEY AMENITIES*

- Air Conditioning
- Balcony
- Dishwasher
- Fireplace
- High Speed Internet Access
- Microwave
- Range
- Refrigerator
- Washer/Dryer

## *PROPERTY NOTES*

Parking: 4.00/Unit; 48 Surface Spaces

**RENT COMPARABLE #5**

**Yorktowne Village Apartments**
2172 Ebinport Rd, Rock Hill, SC 29732

**Distance from Subject:** 6.8 Miles
**County:** York
**Year Built/Renovated:** 1997
**Stories:** 2
**Total Units:** 124
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 4.0%



## *PROPERTY DETAILS*

**Land Area:** 11.17 AC (486,565 SF)
**Average Unit Size:** 969 SF
**Building FAR:** 0.27
**Construction Type:** Wood Frame
**Number of Buildings:** 16
**Units Per Area:** 11/AC
**Parcel:** 5920801001

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 1 | 1 | 600 | $1,325 | $2.21 |
| 2 | 1.5 | 990 | $1,500 | $1.52 |
| 2 | 2 | 1,080 | $1,525 | $1.41 |

## *KEY AMENITIES*

- Air Conditioning
- Balcony
- Cable Ready
- Dishwasher
- Disposal
- Fireplace
- Heating
- High Speed Internet Access
- Kitchen
- Oven
- Range
- Refrigerator
- Tub/Shower
- Vaulted Ceiling
- Washer/Dryer Hookup
- Wheelchair Accessible (Rooms)
- 24 Hour Access
- Air Conditioning
- Balcony
- Car Wash Area
- Fitness Center
- Laundry Facilities
- Online Services
- Playground
- Pool
- Property Manager on Site
- Smoke Detector
- Tenant Controlled HVAC
- Walk-Up

## *PROPERTY NOTES*

Parking: 2.65/Unit; 328 Surface Spaces

**RENT COMPARABLE #6**

**The Villas at 1825**
1825 Heather Sq, Rock Hill, SC 29732

**Distance from Subject:** 5.2 Miles
**County:** York
**Year Built/Renovated:** 1972/2017
**Stories:** 2
**Total Units:** 132
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 3.8%



## *PROPERTY DETAILS*

**Land Area:** 4.27 AC (186,001 SF)
**Average Unit Size:** 1,077
**Building FAR:** 0.71
**Construction Type:** Wood Frame
**Number of Buildings:** 16
**Units Per Area:** 31/Acre
**Parcel:** 6360101005

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 1 | 1 | 600 | $1,206 | $2.01 |
| 1 | 1 | 950 | $1,233 | $1.30 |
| 2 | 1 | 950 | $1,310 | $1.38 |
| 2 | 1 | 1,050 | $1,331 | $1.27 |
| 3 | 1 | 1,150 | $1,570 | $1.37 |
| 3 | 1.5 | 1,150 | $1,551 | $1.35 |

## *KEY AMENITIES*

- Central AC
- Oven/Range
- Refrigerator
- Carpet
- Clubhouse
- Central Laundry

## *PROPERTY NOTES*

Parking: 2.65/Unit; 350 Surface Spaces

**RENT COMPARABLE #7**

**The Vintage**
1061 Hearn St, Rock Hill, SC 29732

**Distance from Subject:** 6.4 Miles
**County:** York
**Year Built/Renovated:** 1972/2022
**Stories:** 2
**Total Units:** 104
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 4.8%



## *PROPERTY DETAILS*

**Land Area:** 7.73 AC (336,719 SF)
**Average Unit Size:** 814
**Building FAR:** 0.39
**Construction Type:** Wood Frame
**Number of Buildings:** 16
**Units Per Area:** 13
**Parcel:** 6320311002

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| Studio | 1 | 515 | $1,107 | $2.15 |
| 1 | 1 | 764 | $1,211 | $1.58 |
| 2 | 1 | 894 | $1,294 | $1.45 |
| 3 | 1 | 1,012 | $1,299 | $1.28 |

## *KEY AMENITIES*

- Central AC
- Oven/Range
- Refrigerator
- Carpet
- Clubhouse
- Central Laundry

## *PROPERTY NOTES*

Parking: 1.36/Unit; 141 Surface Spaces

**RENT COMPARABLE #8**

**Estates at Rock Hill**
2400 Celanese Rd, Rock Hill, SC 29732

**Distance from Subject:** 6.3 Miles
**County:** York
**Year Built/Renovated:** 1982
**Stories:** 2
**Total Units:** 267
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 11.6%



## *PROPERTY DETAILS*

**Land Area:** 22.35 AC (973,566 SF)
**Average Unit Size:** 952 SF
**Building FAR:** 0.26
**Construction Type:** Wood Frame
**Number of Buildings:** 26
**Units Per Area:** 12/AC
**Parcel:** 6360202002

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 1 | 1 | 683 | $1,292 | $1.89 |
| 2 | 1.5 | 975 | $1,403 | $1.44 |
| 3 | 1.5 | 1,321 | $1,611 | $1.22 |

## *KEY AMENITIES*

- Air Conditioning
- Balcony
- Cable Ready
- Dishwasher
- Disposal
- Fireplace
- Heating
- Ice Maker
- Kitchen
- Oven
- Refrigerator
- Satellite TV
- Storage Space
- Tub/Shower
- Walk-In Closets
- Washer/Dryer
- Washer/Dryer Hookup
- Wi-Fi
- 24 Hour Access
- Air Conditioning
- Balcony
- Breakfast/Coffee Concierge
- Clubhouse
- Fitness Center
- Laundry Facilities
- Laundry Service
- Online Services
- Playground
- Smoke Detector
- Storage Space
- Tenant Controlled HVAC
- Walk-Up
- Wi-Fi
-

## *PROPERTY NOTES*

Parking: 1.02/Unit; 271 Surface Spaces

**RENT COMPARABLE #9**

**Gable Oaks Apartment Homes**
752 Patriot Pky, Rock Hill, SC 29730

**Distance from Subject:** 5.3 Miles
**County:** York
**Year Built/Renovated:** 1997
**Stories:** 3
**Total Units:** 252
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 8.3%



## *PROPERTY DETAILS*

**Land Area:** 16.25 Acres
**Average Unit Size:** 775 SF
**Building FAR:** 0.29
**Construction Type:** Wood Frame
**Number of Buildings:** 18
**Units Per Area:** 16
**Parcel:** 6620701045

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| EFF | 1 | 336 | $1,055 | $3.14 |
| 1 | 1 | 520 | $1,172 | $2.25 |
| 2 | 2 | 864 | $1,309 | $1.51 |
| 3 | 2 | 1,080 | $1,555 | $1.44 |

## *KEY AMENITIES*

- Central AC
- Clubhouse
- Fitness Center
- Swimming Pool
- Playground
- Picnic Area
- On-Site Management
- Business Center
- Central Laundry

## *PROPERTY NOTES*

Parking: 2.01/Unit; 507 Surface Spaces.

**RENT COMPARABLE #10**

**Quail Ridge**
2091 Dutchman Dr, Rock Hill, SC 29732

**Distance from Subject:** 6.2 Miles
**County:** York
**Year Built/Renovated:** 1999
**Stories:** 2
**Total Units:** 80
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy**: 3.8%



## *PROPERTY DETAILS*

**Land Area:** 8.34 AC (363,290 SF)
**Average Unit Size:** 971 SF
**Building FAR:** 0.23
**Construction Type:** Masonry
**Number of Buildings:** 10
**Units Per Area:** 10/AC
**Parcel:** 6360204003

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size (SF) | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 1 | 1 | 714 | $987 | $1.38 |
| 2 | 1.5 | 1,075 | $1,245 | $1.16 |
| 3 | 2 | 1,166 | $1,530 | $1.31 |

## *KEY AMENITIES*

- Central AC
- Balcony
- Cable Ready
- Ceiling Fans
- Dishwasher
- Disposal
- Heating
- Range
- Storage Space
- Tub/Shower
- Vaulted Ceiling
- Walk-In Closets
- Washer/Dryer
- Washer/Dryer Hookup
- Wheelchair Accessible (Rooms)
- Air Conditioning
- Balcony
- Clubhouse
- Fitness Center
- Laundry Facilities
- Maintenance on site
- Playground
- Storage Space

## *PROPERTY NOTES*

Parking: 3.60/Unit; 288 Surface Spaces

**RENT COMPARABLE # 11**
Fort Mill Townhomes III
1550 Banks St, Fort Mill, SC 29715

**Distance from Subject** : 0.6 Mile
**County York**:
**Year Built/Renovated:** 1988
**Stories:** 2
**Total Units:** 46
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 2.2%



## *PROPERTY DETAILS*

**Land Area:** 4.79 AC 208,496 SF
**Average Unit Size:** 935 SF
**Building FAR:** 0.29
**Construction Type:** Masonry
**Number of Buildings:** 6
**Units Per Area:** 10AC
**Parcel:** 0201301003

## *UNIT MIX & RENTS*

| Beds | Baths | Avg. Size SF | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 1 | 1 | 750 | 1,441 | 1.92 |
| 2 | 1.5 | 1,000 | 1,641 | 1.64 |

## *KEY AMENITIES*

- Air Conditioning
- Air Conditioning
- Heating
- Kitchen
- Oven
- Laundry Facilities
- Laundry Facilities
- Playground
- 24 Hour Access
- Tub/Shower

## *PROPERTY NOTES*

Parking 1.74/Unit 80 Surface Spaces

**RENT COMPARABLE #12**

The Villas at Riverview
1364 Riverview Rd, Rock Hill, SC 29732

**Distance from Subject:** 5.0 Miles
**County:** York
**Year Built/Renovated:** 1977/2017
**Stories:** 2
**Total Units:** 160
**Program:** Market Rate
**Property Type:** Garden Apartments
**Vacancy:** 4.4%




## *PROPERTY DETAILS*

**Land Area:** 14.00 AC 609,840 SF
**Average Unit Size:** 1,014 SF
**Building FAR:** 0.28
**Construction Type:** Wood Frame
**Number of Buildings:** 20
**Units Per Area:** 11AC
**Parcel:** 6360101002

## *UNIT MIX & RENTS*

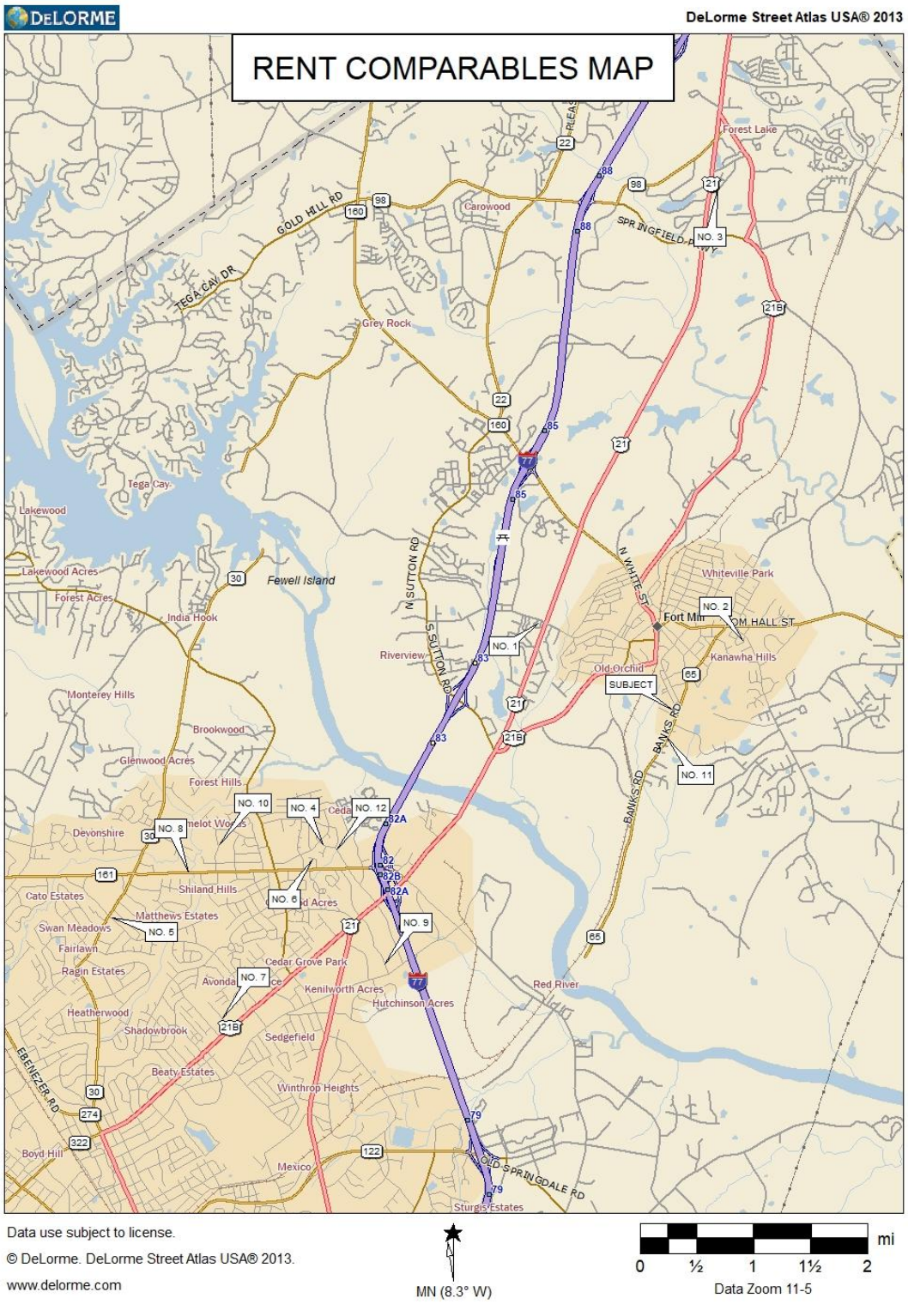
| Beds | Baths | Avg. Size SF | Avg. Rent/Month | $/SF |
|---|---|---|---|---|
| 1 | 1 | 750 | $1,225 | $1.63 |
| 2 | 1.5 | 1,008 | $1,325 | $1.31 |
| 3 | 2 | 1,300 | $1,600 | $1.23 |

## *KEY AMENITIES*

- Air Conditioning
- Air Conditioning
- Balcony
- Cable Ready
- Carpet
- Laundry Facilities
- Business Center
- Clubhouse
- Fitness Center
- Dishwasher

## *PROPERTY NOTES*

Parking 2.07/Unit - 331 Surface Spaces.


DeLorme
DeLorme Street Atlas USA® 2013
RENT COMPARABLES MAP
Forest Lake
Carowood
GOLD HILL RD
TEGA CAY DR
SPRINGFIELD RD
Grey Rock
Tega Cay
Lakewood
Lakewood Acres
Forest Acres
Fewell Island
India Hook
N SUTTON RD
S SUTTON RD
Riverview
Whiteville Park
Fort Mill
OM HALL ST
Kanawha Hills
Old Orchid
SUBJECT
N WHITE ST
BANKS RD
Monterey Hills
Brookwood
Glenwood Acres
Forest Hills
Devonshire
Cato Estates
Shiland Hills
Matthews Estates
Swan Meadows
Fairlawn
Ragin Estates
Cedar Grove Park
Kenilworth Acres
Hutchinson Acres
Red River
Heatherwood
Shadowbrook
Sedgefield
Beaty Estates
Winthrop Heights
EBENEZER RD
Boyd Hill
Mexico
OLD SPRINGDALE RD
Sturgis Estates
NO. 1
NO. 2
NO. 3
NO. 4
NO. 5
NO. 6
NO. 7
NO. 8
NO. 9
NO. 10
NO. 11
NO. 12
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www.delorme.com
MN (8.3° W)
0 ½ 1 1½ 2 mi
Data Zoom 11-5

**Efficiency Units:** Efficiency units are located in Riverview Studios Apartments, The Vintage, and Gable Oaks. These figures represent smaller studio units ranging from 336 to 600 S.F. units, with a mean size of 484 SF and median of 515 SF. Three comparables report efficiency/studio units, with monthly rents ranging from $775 to $1,107. The mean rent is $979 and the median rent is $1,055. The $/SF values span $1.29 to $3.14, with a mean of $2.19 and a median $2.15. The subject efficiency units are similar in size to the mean of the comparables. The subject units benefit from a good location, low-density development and single-story access which provides a competitive advantage for senior tenants. However, the subject is an older property that suffers from some deferred maintenance with aged appliances and lacks amenities. Based upon the age, condition, location and amenities of the subject property, I believe that the market rent for the subject efficiency units would fall near the lower end of the range, or at about $850/month. This equates to $1.76/S.F., which is within the indicated range and appears reasonable.

**One-Bedroom Units:** The comparable one-bedroom units range from 520 to 750 SF across 11 comparables, averaging 683 SF with a median of 750 SF. The comparables provide one-bedroom rents ranging from $875 to $1,441 per month, with a mean of $1,213/month and a median of $1,225/month. The $/SF values range $1.17 to $2.25, with a mean of $1.68 and a median of $1.70. The subject one-bedroom units are somewhat smaller than the comparable properties. Based upon the size and other property characteristics, I believe that the market rent for the subject one-bedroom units would fall near the lower end of the range, or at about $900/month. This equates to $1.85/S.F., which is within the indicated range and appears reasonable based upon the small unit sizes.

**Two-Bedroom Units:** The comparable units span from 864 to 1,078 SF across 11 comparables, with a mean size of 1,004 SF and median of 1,000 SF. The comparables show two-bedroom monthly rents ranging from $1,245 to $1,641 per month, with a mean of $1,416/month and a median of $1,403. The $/SF values range $1.16 to $1.64, with a mean of $1.42 and a median of $1.44. At 782 S.F., the subject two-bedroom units are smaller than all of the comparable properties. The subject two-bedroom units also only have one batch while most of the comparable properties have 1.5 or two baths. Based upon the size and other property characteristics, I believe that the market rent for the subject two-bedroom units would fall slightly below the lower end of the range, or at about $1,200/month. This equates to $1.53/S.F., which is within the indicated range and appears reasonable based upon the small unit sizes.

**Three-Bedroom Units:** The comparable units range from 1,012 to 1,321 SF across seven comparables, averaging 1,218 SF with a median of 1,229 SF. The comparables reported three-bedroom rents from $1,299 to $1,863 per month, with a mean of $1,531/month and a median of $1,555/month. The $/SF values span $1.22 to $1.52, with a mean $1.34 and a median of $1.31. At 888 S.F., the subject two-bedroom units are smaller than the range of comparable properties. The subject three-bedroom units also only have one batch while all but one of the comparable properties have 1.5 or two baths. Based upon the size and other property characteristics, I believe that the market rent for the subject three-bedroom units would fall slightly below the lower end of the range, or at about $1,250/month. This equates to $1.41/S.F., which is within the indicated range and appears reasonable based upon the small unit sizes.

## MARKET VALUE – AS UNRESTRICTED AT MARKET RENTS

### Projected Market Rental Income

Based upon the preceding analysis, the following rental income is projected for the subject property as a market rate property:

**POTENTIAL GROSS INCOME**

| Unit Type | # Units | S.F. | Monthly Rent | Monthly Gross Rent | Annual Gross Rent |
|---|---|---|---|---|---|
| Efficiency | 6 | 483 | $850 | $5,100 | $61,200 |
| 1BR/1BA | 10 | 486 | $900 | $9,000 | $108,000 |
| 2BR/1BA | 31 | 782 | $1,200 | $37,200 | $446,400 |
| 3BR/1BA | 4 | 888 | $1,250 | $5,000 | $60,000 |
| Avg./Totals | 51 | 697 | $1,104 | $56,300 | $675,600 |

The potential gross rent is then $56,300/month, or $675,600/year.

### Other Income

The subject property's other income has been minimal as a restricted rent property, having been $272, or $5/unit in 2024 and $893, or $18/unit in 2025. A typical amount for small properties is 3% to 10% of GPR. Other income for the market rate expense comparables ranged from $106 to $1,193 per unit, with a mean of $708 per unit and a median of $1,060 per unit. As a percentage of PGI, other income ranged from 1.1% to 10.4%, with a mean of 5.3% and a median of 5.7%. The subject property does not have typical income generators such storage units or garages of no history of meaningful other income; however, this income should increase as a market rate property. The two lowest expense comparables were at 1.1% and 1.2% of PGI. I have used 1.2% of PGI, or $8,107 for other income which equates to $159/unit.

### Total Potential Gross Income

The total potential gross income is then $683,707/year.

### Vacancy & Credit Loss

Despite substantial new deliveries, the Charlotte multifamily market continues to experience high occupancy, indicating a balanced market. The most recent Multifamily Market Report, published by Avison Young, indicated an occupancy rate for the Rock Hill/Fort Mill submarket of 95.4% and an overall market rate of 94.8%. Vacancy for the 12 rent comparable properties ranged from 1.9% to 11.6%, with a mean of 5.3% and a median of 4.2%. I believe that 5% for

vacancy and collection loss represents stabilized occupancy for market rate units. The vacancy and credit loss totals $34,185/year.

**Effective Gross Income**

The effective gross rental income is the potential gross income of $683,707, less $34,185 for vacancy and credit loss, results in an effective gross income of $649,522/year.

**Expenses**

Expenses as a market rate property are estimated based upon the previous two years operating statements, expenses from five similarly sized market rate properties located in the subject MSA, and the most recent benchmark data published by the National Apartment Association (NAA) in partnership with the Institute of Real Estate Management (IREM) and the Building Owners and Management Association (BOMA).

**Real Property Taxes:** Assuming a 2026 sale of the subject property, I have estimated the first year taxes using a loaded capitalization rate analysis. The first year taxes as a market rate property are projected at $123,425, or $2,420/unit.

**Insurance:** The current insurance premium is $34,458.

The total fixed expenses are then $157,883.

**Management:** Management fees typically range from 3% to 7% of effective apartment income, which usually does not include salaries and related expenses. The management fee expense for the subject property was $53,239 in 2024 and $55,606 in 2025. The current budget shows $52,632 for this expense. This should be lower as a market rate property. The expense comparables ranged from $16,329 to $54,049, with a mean of $33,840 and a median of $33,352. The $/unit expense for the expense comparables ranged from $371 to $751, with a mean of $490 and a median of $442. The expense stated as a percentage of EGI ranged from 3.0% to 5.0%, with a mean of 3.9% and a median of 4.0%. The benchmark data shows $571/unit and 2.9% of EGI. Considering there is a separate management payroll expense, I have used 4.0% of effective gross income for management as a market rate property, which equates to $25,981/year. This equates to $509/unit.

**Payroll:** The management payroll expense for the subject property was $38,015 in 2024 and $45,990 in 2025. The current budget shows $42,072 for this expense. For the expense comparables, the total payroll and benefits expense ranged from $23,546 to $176,373, with a mean of $110,234 and a median of $124,380. The $/unit expense for the expense comparables ranged from $535 to $2,450, with a mean of $1,540 and a median of $1,196. The expense stated as a percentage of EGI ranged from 5.8% to 26.1%, with a mean of 12.4% and a median of 8.7%. The benchmark data shows $1,705/unit and 9.2% of EGI. Considering the small size of the subject property, I have used an approximation of the current budgeted payroll expense of $42,000, which equates to $824/unit and 6.5% of EGI as a market rate property.

**Administrative/Professional Fees:** This expense includes accounting/audit costs, advertising, legal, licensing and permits, telephone, office supplies, and miscellaneous administrative expenses. The administrative/professional fees expense for the subject property was $14,031 in 2024 and $16,502 in 2025. The current budget shows $23,150 for this expense. General and administrative is the closest expense comparable category in the spreadsheet. For those expense comparables, the total general and administrative expense ranged from $4,439 to $89,994, with a mean of $55,465 and a median of $54,453. The $/unit expense for the expense comparables ranged from $756 to $1,245, with a mean of $897 and a median of $809. The expense stated as a percentage of EGI ranged from 6.1% to 8.2%, with a mean of 6.7% and a median of 6.4%. The benchmark data shows $772/unit and 4.1% of EGI. Most weight is placed upon the subject historical expense. Some fee and accounting expenses would be less as a market rate property; however, the advertising expense would increase. I have used $500/unit, or $25,500/year for this expense, which equates to 3.9% of EGI.

**Utility Expenses:** This expense includes water, sewer, electricity, gas, and trash removal. The utility expense for the subject property was $74,248.06 in 2024 and $81,301.04 in 2025. The current budget shows $68,124 for this expense. Among the expense comparables, the total utility expense ranged from $18,117 to $148,906, with a mean of $63,408 and a median of $58,949. The $/unit expense for the expense comparables ranged from $377 to $2,068, with a mean of $900 and a median of $626. The expense stated as a percentage of EGI ranged from 3.0% to 11.1%, with a mean of 6.8% and a median of 6.7%. Benchmark data shows $1,250/unit and 4.9% of EGI. Based upon historical expenses, with more emphasis on the 2025 expense, I have estimated this expense at $79,000 as a market rate property.

**Repairs & Maintenance:** This expense includes decorating, pest control, landscaping, maintenance payroll, parking lot maintenance, repairs, and supplies. The repairs and maintenance expense for the subject property was $63,701 in 2024 and $71,607 in 2025. The current budgeted expense is $109,262, which includes a large capital improvement expense of $35,350. Among the expense comparables, the total repairs and maintenance expense ranged from $23,004 to $113,499, with a mean of $58,608 and a median of $55,315. The $/unit expense for the expense comparables ranged from $523 to $1,091, with a mean of $818 and a median of $798. The expense stated as a percentage of EGI ranged from 4.1% to 8.6%, with a mean of 6.7% and a median of 7.2%. Benchmark data indicates an average of $920/unit and 4.7% of EGI. I have used $1,000/unit, or $51,000 as a market rate property. This equates to 7.9% of EGI.

The variable expenses are then $223,481.

**Reserves for Replacements:** Reserves typically range for $250 to $400/unit. The reserves for replacements expense for the subject property was $37,536 in 2024 and $14,280 in 2025. The current budget shows $14,280 for this expense. Among the expense comparables, the total reserves expense ranged from $12,000 to $31,200, with a mean of $19,382 and a median of $17,163. The $/unit expense for the expense comparables ranged from $213 to $300 per unit, with a mean of $257 and a median of $257 per unit. The expense stated as a percentage of EGI ranged from 1.4% to 2.3%, with a mean of 2.0% and a median of 2.0%. I have estimated this expense at $300/unit or $15,300.

Including reserves, the expenses total $396,664/year, $7,778/unit or 61.1% of EGI. This is a relatively high expense ratio, but the expense ratio is reasonable when considering the small size of the subject property, the relatively low rents and the significant increase in taxes that a sale would trigger. Conventional wisdom dictates that it is more cost effective to operate a property with a greater number of units as the marginal cost to maintain an additional unit continues to fall as unit numbers increase. The projected taxes are by are the most significant contributor to the high expense ratio. The projected taxes account for 31.1% of total expenses.

**Net Operating Income**

After deducting the expenses of $396,664 from the effective gross income of $649,522, the net operating income is $252,858/year.

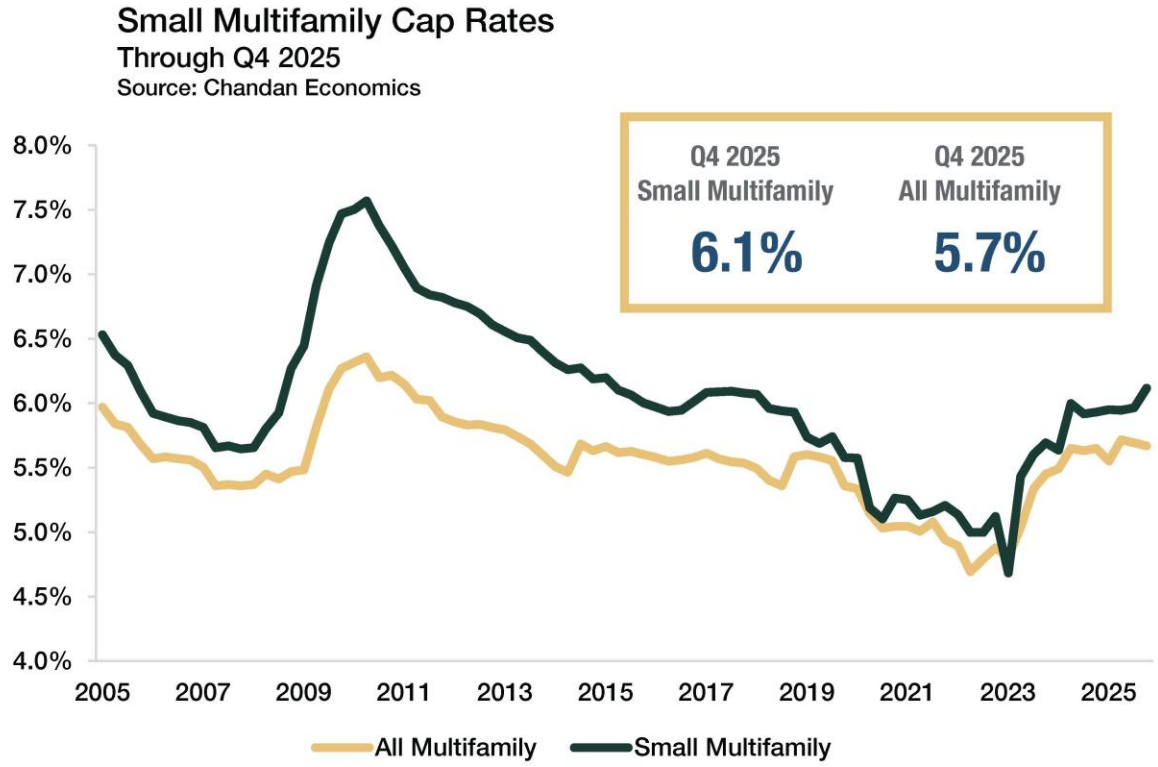
**Overall Rate**

According to the *U.S. Multifamily Market Snapshot — Q1 2026*, published by Arbor Realty Trust, The U.S. multifamily market finished 2025 with growing optimism and resilience. Investment volume accelerated to a three-year high, bolstered by greater interest rate clarity and the tightest cap rates across major real estate sectors. Despite stagnant growth in rents and vacancy rates, supply concerns have diminished, as investors are focusing beyond current headwinds and anticipating robust performance ahead. According to data from Moody's Analytics CRE, effective rent growth was sluggish during the year, falling 0.8%. However, rents remain 25% higher than the pre-pandemic levels measured in 2019. The overall vacancy rate finished at 6.7%, up from 6.4% in 2024, although slowing development may signal a peak to the rising trend. During the year, 297,000 new multifamily units were added to the market, down from 371,600 during 2024. With supply pressures easing and multifamily rental households hitting record highs, demand assumptions should revise upward going forward.

Apartment Loan Store's Q1 2026 Multifamily Cap Rate Report indicated that the main fundamentals behind multifamily cap rates softened, keeping cap rates flat. According to Freddie Mac, rents are now trending slightly downwards, net absorption of new units has slowed, and vacancies and rental concessions have edged slightly upward. Despite these market negatives, prices have mostly held steady and investor confidence is on the upswing. The report indicated average cap rates of 5.38% for Suburban B Class and 5.75% for Suburban C Class.

According to CBRE, there was a 9% rise in multifamily cap rates in 2025. This curve plateaued during the first quarter of 2026 with multifamily property averaging on all classes combined a cap rate of 5.6%. Still buyer sentiment improved in early 2026 as Return on Investment (ROI), Cash on Cash return, and Internal Rate of Return (IRR) slightly improved. This is assumed to mostly be the result of slightly lower mortgage rates during January and February 2026.

MSCI Real Capital Analytics reported that apartment investment volume during 2025 totaled $165.5 billion. It was the second consecutive year of expansion, outpacing 2024 by 9.4%, and was higher than the 15-year annual average of $155.0 billion. Cap rates for 2025 apartment transactions averaged 5.7%, unchanged from 2024 and remained the tightest among all major property types. Small multifamily cap rates averaged 6.1% during the fourth quarter of 2025, up 0.1% to reach their highest point in over a decade. Compared to the cyclical low point of 4.7% in the first quarter of 2023, cap rates have now climbed 144 bps. For all multifamily, the southern region reported an average cap rate of 5.5% and while there were no regional cap rates reported for small multifamily, it can be inferred that the average cap rate for small multifamily in the southern region would be lower than the national average of 6.1%. Charlotte is also currently considered to be one of the stronger multifamily markets in the southern region.



A band-of-investment analysis was performed assuming a mortgage rate at 5.75% with a 75% loan-to-value ratio and a 30-year amortization term. The mortgage constant is 0.0700287428. The equity dividend rate necessary to attract property investors is commonly between 4% and 13%. We have selected an equity capitalization rate of 6.75% for the subject due to location, quality, style and condition. The capitalization rate based upon the band-of-investment method was calculated to be 6.9%.

| **Band of Investment Method** | | | |
|---|---|---|---|
| Mortgage Rate | 5.75 | | |
| Term | 30 | | |
| Equity Rate | 6.75% | | |
| Mortgage | 75% | 0.0700287428 | 0.052522 |
| Equity | 25% | 0.0675 | 0.016875 |
| Overall Rate | | | **6.9%** |

Improved sales of market rate properties that were utilized in this report indicated overall rates ranging from 5.5% to 7.1%, with a mean of 6.1 and a median of 5.5%. The rental income and expenses are well supported and there is strong demand for multifamily properties in the Charlotte region. Considering the unit mix, age, quality, and condition of the subject property as well the location and strong market fundamentals, I have concluded on an overall rate of 5.75%.

**Value Indication - Direct Capitalization**

Dividing the net operating income of $252,858 by the overall rate of 5.75%, indicates a Market Value “As Is” for the leased fee estate of the subject property, based on market rents, of $4,397,530, rounded to **$4,400,000.**

## DIRECT CAPITALIZATION - MARKET RENTS

| | | |
|---|---|---|
| **Gross Potential Rent** | | $675,600 |
| **Other Income** | | $8,107 |
| **Gross Potential Rent** | | $683,707 |
| **Vacancy and Credit Loss** | | $34,185 |
| **EGI** | | $649,522 |
| | | |
| **Fixed Expenses** | | |
| Insurance | | $34,458 |
| Real Estate Taxes | | $123,425 |
| Total fixed | | $157,883 |
| | | |
| **Variable Expenses** | | |
| Management Fees | | $25,981 |
| Management Payroll | | $42,000 |
| Administrative Expense | | $25,500 |
| Utility Expense | | $79,000 |
| Repairs and Maintenance | | $51,000 |
| Total Variable | | $223,481 |
| | | |
| Reserves for Replacement | | $15,300 |
| | | |
| **Total Expenses** | | $396,664 |
| | | |
| **Net Operating Income** | | $252,858 |
| | | |
| **Indicated Value (NOI/0.0575)** | | $4,397,530 |
| **Rounded to:** | | **$4,400,000** |

# EXPENSE COMPARABLES

| | | Per Unit | % EGI | | Per Unit | % EGI | | Per Unit | % EGI | | Per Unit | % EGI | | Per Unit | % EGI |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Location | Concord, NC | | | Concord, NC | | | Wadesboro, NC | | | Charlotte, NC | | | Gastonia, NC | | |
| Year Built | 1994 | | | 1973/2023 | | | 1972 | | | 1987 | | | 1973 | | |
| Units | 44 | | | 48 | | | 72 | | | 72 | | | 104 | | |
| EGI | $408,214 | | | $605,510 | | | $667,036 | | | $1,344,835 | | | $1,480,855 | | |
| | | | | | | | | | | | | | | | |
| Real Estate Taxes | $31,367 | $713 | 7.7% | $56,068 | $1,168 | 9.3% | $20,786 | $289 | 3.1% | $94,386 | $1,311 | 7.0% | $99,924 | $961 | 6.7% |
| Property Insurance | $13,201 | $300 | 3.2% | $22,973 | $479 | 3.8% | $55,666 | $773 | 8.3% | $51,809 | $720 | 3.9% | $79,338 | $763 | 5.4% |
| Utilities | $27,542 | $626 | 6.7% | $18,117 | $377 | 3.0% | $58,949 | $819 | 8.8% | $148,906 | $2,068 | 11.1% | $63,527 | $611 | 4.3% |
| Repairs and Maintenance | $23,004 | $523 | 5.6% | $43,780 | $912 | 7.2% | $57,443 | $798 | 8.6% | $55,315 | $768 | 4.1% | $113,499 | $1,091 | 7.7% |
| Management Fees | $16,329 | $371 | 4.0% | $21,193 | $442 | 3.5% | $33,352 | $463 | 5.0% | $54,049 | $751 | 4.0% | $44,278 | $426 | 3.0% |
| Payroll & Benefits | $23,546 | $535 | 5.8% | $52,928 | $1,103 | 8.7% | $173,945 | $2,416 | 26.1% | $176,373 | $2,450 | 13.1% | $124,380 | $1,196 | 8.4% |
| General & Administrative | $4,439 | $809 | 6.4% | $38,827 | $809 | 6.4% | $54,453 | $756 | 8.2% | $89,613 | $1,245 | 6.7% | $89,994 | $865 | 6.1% |
| Reserves | $11,000 | $250 | 2.7% | $12,000 | $250 | 2.0% | $15,318 | $213 | 2.3% | $19,008 | $264 | 1.4% | $31,200 | $300 | 2.1% |
| | | | | - | | | | | | | | | | | |
| Total Operating Expenses | $150,428 | $3,419 | 36.9% | $265,886 | $5,539 | 43.9% | $469,912 | $6,527 | 70.4% | $689,459 | $9,576 | 51.3% | $646,140 | $6,213 | 43.6% |

## MARKET VALUE – "AS IS" RESTRICTED RENTS

### Potential Gross Rental Income

The subject development currently operates under a USDA Rural Development 515 Loan project-based, Rural Housing Service Rental Assistance contract for 100% of the units. Rental assistance is a rent subsidy provided to owners of 515 projects. The renter of an RA unit is required to pay a tenant contribution toward the approved basic rent of the unit that is equal to no more than 30 percent of his/her income. RA is the portion of the approved basic rent paid by the Agency to compensate a borrower for the difference between the approved basic rent and the tenant contribution. The contract renews on an annual basis. Below are the current rents approved by the USDA Rural Housing Service:

| Unit Type | # Units | USDA Basic Rent | Monthly Gross Rent | Annual Gross Rent |
|---|---|---|---|---|
| Efficiency | 6 | $654 | $3,924 | $47,088 |
| 1BR/1BA | 10 | $708 | $7,080 | $84,960 |
| 2BR/1BA | 31 | $747 | $23,157 | $277,884 |
| 3BR/1BA | 4 | $807 | $3,228 | $38,736 |
| Totals | 51 | $733 | $37,389 | $448,668 |

The potential gross rent is then $37,389/month, or $448,668/year.

### Other Income

Other income includes late and NSF fees, damage/cleaning fees, break lease fees, legal reimbursement, and other miscellaneous revenue. This was $272, or $5/unit in 2024 and $893, or $18/unit in 2025. I was able to locate two RD expense comparables which ranged from $57 to $73/unit; however, this category is very property specific due to individual income generators and property policies. Based on the current USDA budget, I have used other income of $280 for the as is restricted scenario.

### Total Potential Gross Income

The total potential gross income is then $448,948/year.

### Vacancy & Credit Loss

I have used the vacancy and collection loss of $7,669, in line with the approved USDA Budget. This equates to 1.7% of PGI, which is reasonable considering historical occupancy ranging from 98% to 100%, the high demand for the subject property type and waiting list.

**Effective Gross Income**

The effective gross income is the potential gross income of $448,948, less $7,669 for vacancy and credit loss. The resulting effective gross income is $441,279/year.

**Expenses**

Per USDA guidance I have based the subject expenses upon the current operating budget, while referencing historical expenses as a check and adjusting as necessary. I have also included expenses from two RD properties located in the region for comparison.

**Real Property Taxes:** The property taxes were $48,190 in 2024 and $51,754 in 2025. The projected taxes in the budget indicate $49,000; however, according to Form RD 3560-7 this should be a 3.0% increase over actual previous year taxes, therefore, I have used $53,307 for this expense. This equates to $1,045/unit. The expense comparables ranged from $656 to $1,001/unit and are located in more rural areas.

**Insurance:** The current as shown in the budget is $34,458.

The total fixed expenses are then $87,765/year.

**Management Fees:** This expense was $53,239 in 2024 and $55,606 in 2025. I have used the management fee as shown in the current operating budget of $52,632. This equates to $1,032/unit and 11.9% of EGI. The management payroll expense of the expense comparables ranged from $45,937 to $46,138 and $919 to 1,214/unit.

**Management Payroll:** This expense includes site management payroll, benefits, payroll taxes, and workers compensation costs. The management payroll expense was $38,015 in 2024 and $45,990 in 2025. I have used the Management payroll expense shown in the budget of $42,072.

**Administrative/Professional Fees:** This expense includes accounting/audit costs, advertising, legal, licensing and permits, telephone, office supplies, and miscellaneous administrative expenses. The administrative/professional fees expense was $14,031 in 2024 and $16,502 in 2025. I have used the current budgeted expense of $23,150 which equates to $454/unit. The administrative/professional fees expense of the expense comparables ranged from $29,862 to $38,121 and $762 to $786/unit.

**Utility Expenses:** This expense includes water, sewer, electricity, gas, and trash removal. The current operating budget shows $68,124 for this expense. The utility expense was $74,248.06 in 2024 and $81,301.04 in 2025. Based upon the historical expense, the current budgeted expense appears low. I have used $79,000/year, which equates to $1,549/unit. The utility expenses of the expense comparables ranged from $20,232 to $110,661 and $532 to $2,213/unit.

**Repairs & Maintenance:** This expense includes painting, maintenance payroll, maintenance and repairs contracts, grounds maintenance, repairs, and supplies. An annual capital budget is also included under this expense. The repairs and maintenance expense was $63,701 in 2024 and $71,607 in 2025. The current budgeted expense is $109,262, which includes a large capital improvement expense of $35,350. The capital improvement expense was $3,257 in 2024 and $10,293 in 2025. It is assumed that the capital improvement expense would be adjusted to compensate for other items that exceed budgeted expenses. I have estimated real estate taxes $4,307 over the current operating budget and the utility expense $10,876 over the budget. Therefore, I believe a reasonable repairs & maintenance expense would be $15,183 lower than current budgeted expense, indicating an expense of $94,079, or $1,845/unit. The expense comparables ranged from $95,485 to $264,055 and $2,394 to $5,281/unit. The highest comparable expense had a $130,354 capital improvement expense. This expense can vary greatly year to year based upon scheduled repairs and capital improvements expenses.

The total variable expenses are $290,933.

**Reserves for Replacements:** This expense was $37,536 and $14,280 in 2025. USDA regulates the required replacement reserves; therefore, I have used the budgeted reserves expense of $14,280, which equates to $280/unit. The reserves for replacements expense of the expense comparables ranged from $41,788 to $92,267 and $1,100 to $1,845/unit.

The expenses total $392,978/year, $7,705/unit, or 89.1% of EGI. The subject expense ratio is very high due to the restricted rents and higher costs of operating as a RD property.

**Net Operating Income**

After deducting the expenses of $392,978 from the effective gross income of $441,279, the net operating income is $48,301/year.

**Overall Rate**

In the market rate income analysis, the overall capitalization rate is concluded at 5.75% for the subject property as a conventional property at market rents. Attachment 7-A of Chapter 7 of the USDA Rural Development handbook states Rental Assistance usually adds value to a 514/515 project in three ways: 1) it guarantees that the scheduled base rate rent for all occupied RA units will be attained; 2) it usually increases demand for the subject's units and consequently decreases the vacancy rate; and 3) it reduces the risk of investment in the subject project by improving the durability of the income stream. Rental assistance need not be separately valued; the value of RA can be incorporated within the market value, subject to restricted rents.

This can be accomplished within the Income Approach by taking into account the three ways that RA increases value, listed above, as follows. 1) Base rate rents should be included as Potential Gross Income (PGI) in the restricted pro forma; 2) a vacancy and collection loss factor that reflects the amount of RA at the property should be included; and 3) a capitalization rate for the subject may be adjusted downward to account for the reduced risk to the investor due to RA. The RA supports a lower capitalization rate due to lowered risk as the RA is a government back guarantee that contract base rent is achieved. The RA also typically increases demand and reduces vacancy, improves the durability of the income stream and reduces exposure to market rent cycles.

| Risk Component | Market Property | 100% RA Property | Direction of Adjustment |
|---|---|---|---|
| Income certainty | Moderate | Very High | ↓ Risk |
| Vacancy exposure | Moderate | Low | ↓ Risk |
| Rent volatility | High | Very low | ↓ Risk |
| Demand depth | Market-dependent | Subsidy-supported | ↓ Risk |

The market-derived capitalization rate as a market rate multifamily property was concluded at 5.75%. However, the subject's 100% USDA Rental Assistance subsidy materially reduces income risk by ensuring receipt of contract base rents, reducing vacancy exposure, and improving the stability and durability of the income stream. In accordance with USDA guidance towards a downward adjustment of capitalization rates for reduced investor risk, a risk adjustment in the range of 50 to 100 basis points is believed to be appropriate. Based upon the foregoing information, I have concluded upon an overall rate of 5.0%.

**Value Indication - Direct Capitalization**

Dividing the net operating income of $48,301 by the overall rate of 5.0%, indicates a Market Value "As Is" for the leased fee estate of the subject property, based on restricted rents, of $966,020, rounded to **$965,000.**

## DIRECT CAPITALIZATION - RESTRICTED RENTS

| | | |
|---|---|---|
| **Gross Potential Rent** | | $448,668 |
| **Other Income** | | $280 |
| **Gross Potential Rent** | | $448,948 |
| **Vacancy and Credit Loss** | | $7,669 |
| **EGI** | | $441,279 |
| | | |
| **Fixed Expenses** | | |
| Insurance | | $34,458 |
| Real Estate Taxes | | $53,307 |
| Total fixed | | $87,765 |
| | | |
| **Variable Expenses** | | |
| Management Fees | | $52,632 |
| Management Payroll | | $42,072 |
| Administrative Expense | | $23,150 |
| Utility Expense | | $79,000 |
| Repairs and Maintenance | | $94,079 |
| Total Variable | | $290,933 |
| | | |
| Reserves for Replacement | | $14,280 |
| | | |
| **Total Expenses** | | $392,978 |
| | | |
| **Net Operating Income** | | $48,301 |
| | | |
| **Indicated Value** (NOI/0.050) | | $966,020 |
| **Rounded to:** | | **$965,000** |

## INTEREST CREDIT SUBSIDY

Interest credit is a form of federal assistance available to eligible borrowers that reduces the effective interest rate of a loan. The USDA Rural Housing Service (RHS or RD) offers direct loans with favorable terms for affordable housing in the Rural Rental Housing Program and the Farm Labor Housing Program. The 515 loan falls within this program. In this case, Section 515 permanent loans for new construction and subsequent loans for rehabilitation include interest rates as low as 1 percent. These loans are made at a "note rate" of interest, but a "basic rate" of interest to the borrower is typically 1 percent. A monthly mortgage payment is calculated at the note rate of interest, and the loan is amortized at the note rate of interest, but the borrower's actual mortgage payment is based on the basic rate of 1 percent. The difference between the note rate payment and the basic rate payment is the interest credit. The borrower is effectively subsidized with an income stream represented by the monthly interest credit that is available for the term of the loan.

The purchase price of the subject property is in the form of cash plus the assumption by buyer of three existing USDA Section 515 mortgages encumbering the property, estimated to be $595,899 as of the projected closing date of April 1, 2027. The existing loans will be assumed by the new borrower and restated under new rates and terms at closing. The client was unable to provide the terms of the new USDA loan, other than the outstanding balance. As such, I have estimated the terms, interest, and note rates based on my work files of similar USDA properties. It is an extraordinary assumption of this report that the USDA loan terms utilized to value the interest credit subsidy are correct. The following page contains a summary of the interest credit valuation. The indicated value of the interest credit subsidy is **$342,000**. Adding this value to value of subject property as a restricted rent property by the income approach to value of $965,000, indicates a total vale of **$1,307,000**.

## INTEREST CREDIT SUBSIDY VALUE CALCULATION

| | | |
|---|---|---|
| Loan Amount | $595,899 | |
| | | |
| Market Terms | | |
| Market Term - Months | 360 | |
| Market Interest Rate | 5.75% | |
| Market Monthly Mortgage Payment | | $3,477.50 |
| Subsidized | | |
| Amortization Term - Months | 600 | |
| Balloon Due in Months | 360 | |
| Remaining Loan Term - used in calculations | 600 | |
| 1.00% USDA Note Interest Rate | 1.0% | |
| USDA Note Interest Rate | 4.6% | |
| 1% Subsidized Monthly Mortgage Payment | | $1,262.47 |
| Value on Subsidized Income Stream | | |
| Monthly Savings in Income Stream | | $2,215.03 |
| Market Mortgage Rate | 5.75% | |
| Terms of Savings | 360 | |
| Present value of the subsidy | | $379,564 |
| Adjustment for Balloon Amortization | | |
| Note Rate Payment - Full term of Subsidized Loan | | $2,782 |
| Balloon Due at end of amortized Term | | $211,350 |
| Present Worth of the 30th Year Balloon Payment | | ($37,812) |
| | | |
| Value of Interest Credit Subsidy | | $341,752 |
| Rounded | | **$342,000** |

## 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.

There are many different units of comparison used to develop a pattern of indicated value for properties. The following units of comparison are the most used in valuing properties such as the subject.

> **Dollars Per Unit:** Dollars per Unit ($/Unit) is the direct ratio of sale price to total number of units.
>
> **Income (Rent) Multipliers:** The Gross Income Multiplier (GIM) is the ratio of sale price and gross potential income. The Effective Gross Income Multiplier (EGIM) is the ratio of sale price and effective gross income. This method is meaningful when there are sufficient comparable sales that have similar expense ratios as compared to the subject property. These units of comparison are often used in conjunction with others.
>
> **Dollars per Square Foot:** Dollars per S.F. ($/S.F.) is the direct ratio of the sale price of a property to the building area in square feet.

I have estimated the Market Value of the leased fee estate of the subject property, under the hypothetical condition that the property is operating with stabilized occupancy at market rents. I have researched the market and have located five sales of similarly sized apartment properties used in estimating a value for the subject property. These are similarly aged (25 – 44 year old) conventional multifamily properties. All of the sales are located in the Charlotte region within 49 miles of the subject property. Market conditions are considered to have been stable for multifamily properties in the region over the past two years and no adjustment is made for time. In lieu of specific adjustments, the sales have been placed on a continuum. The sales are shown on a chart that follows entitled “Improved Sales Chart” and detailed information sheets follow at the end of this section.

**$/Unit**

The price per unit is considered to be the primary metric used by multifamily investors and is giving the most weight in this Sales Comparison analysis. The five closed sales indicate a range in value of $81,967/unit to $125,000/unit, with a mean of $104,710/unit. The sales at the high end of the range are newer than the subject property, have larger units and significantly higher income. The most similar sale in respect to NOI per unit is Sale No. 2, at $87,719/unit; however, this sale is considered to be inferior to the subject property in respect to location. Sale No. 4 is the most similar sale in respect to average unit size and quality of construction; however, this property is superior in respect to age, condition and NOI per unit. The relevant range is considered to be $87,719 to $105,114 per unit.

Considering the income, and also considering the location, effective age and condition of the subject property, I believe that the subject would sell for a price somewhere in the near the lower end of the range of these two properties or at about $90,000/unit. This value per unit is consistent with trend line analyses for by age, unit size and income, which indicate a value in the upper $80,000's to lower $90,000's for the subject property. The subject property is 51 units and the indicted value is $4,590,000.

**Income Multiplier:**

The sales indicate a range of EGIM of 9.3 to 11.3, with a mean of 10.4. At a value of $4,590,000, the EGIM for the subject property is 7.1, which falls below the indicated range but is considered to be reasonable due to the relatively high fixed operating expenses of the subject property.

**/S.F.**

The sales indicate a range in value of $92.34/S.F. to $154.58/S.F., with a mean of $121.68/S.F. At a value of $6,720,000, the value per rentable S.F. would be $129.11/S.F. This is near the middle of the indicated range and appears reasonable.

**Conclusion – Market Rents**

Based upon the foregoing analysis, I have concluded upon a value of $90,000/unit for the subject property. Therefore, the value indicated for the subject property assuming market rents by the Sales Comparison Approach to Value is **$4,590,000**.

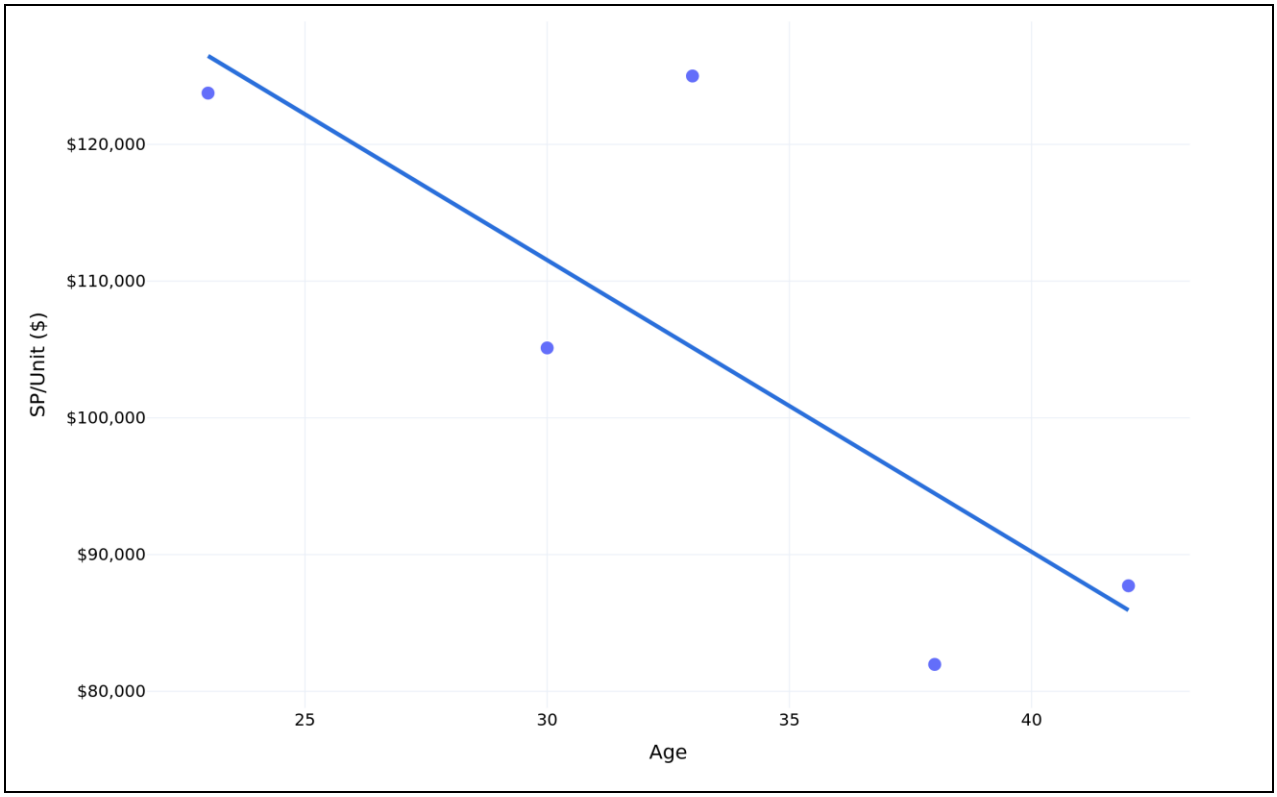
## MARKETING/EXPOSURE PERIOD

Based upon the sales that I am aware of and discussions with area real estate professionals, the marketing time for the subject property is estimated to be about six to twelve months. The exposure period for the subject property is estimated to be about six to twelve months. It should be noted that marketing time is a function of several variables including list price and marketing strategies. The marketing time/exposure period estimates are based on the values reported and competent marketing.

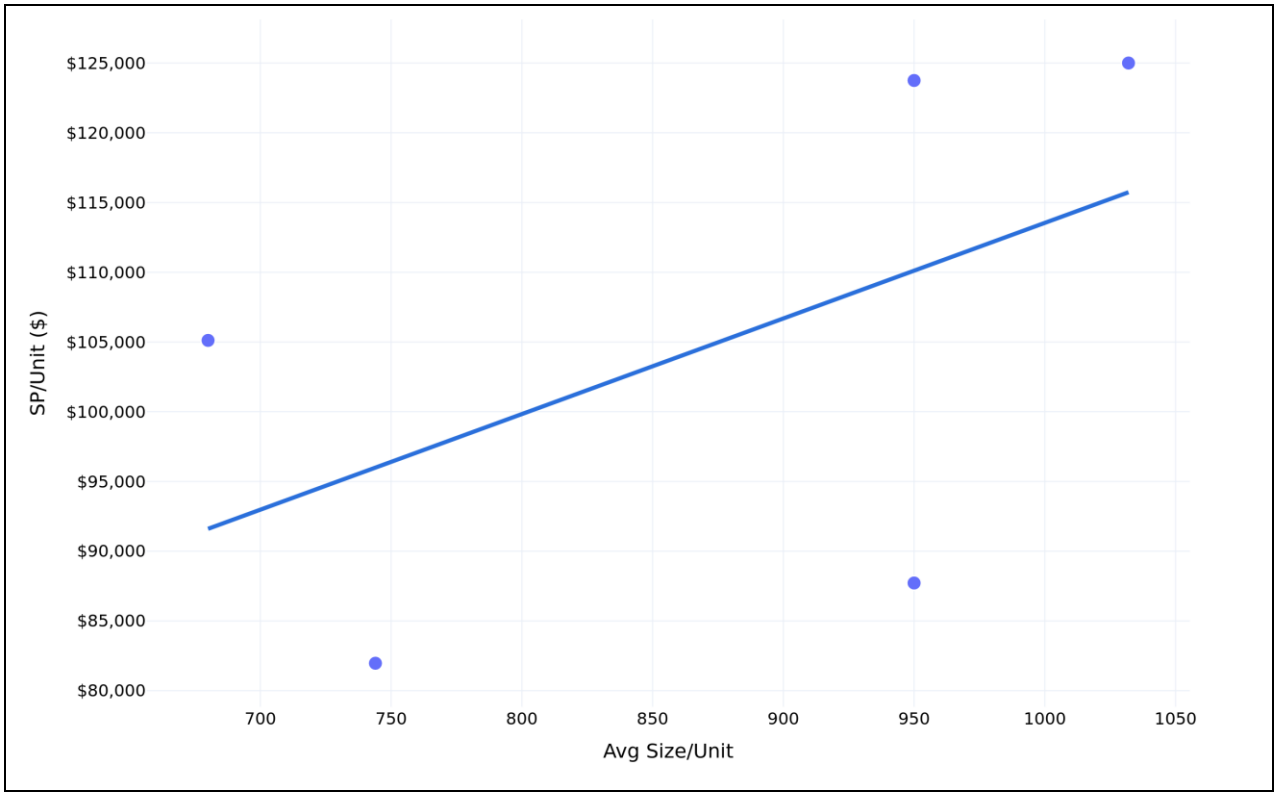
# IMPROVED SALES CHART

| | SALE NO. 1 | SALE NO. 2 | SALE NO. 3 | SALE NO. 4 | SALE NO. 5 |
|---|---|---|---|---|---|
| **PROPERTY** | Oak Hill Square | Windsor | Ashford Place | Northway at Cabarrus | Riverside Village |
| **LOCATION** | 3456 Jondon Ln. Gastonia, NC | 100 W 17th St. Newton, NC | 701 Rain Place Court Kannapolis, NC | 1919 Pine Bough Ln. Concord, NC | 2527 Riverside Ln. Monroe, NC |
| **DISTANCE** | 21 Miles | 49 Miles | 34 Miles | 37 Miles | 18 Miles |
| **TMS NUMBER** | 3554-40-0181 | 374005094658 | 04-044-0127.20 | 374005094658 | 09-112-009 09-112-011 |
| **COUNTY** | Gaston | Catawba | Cabarrus | Cabarrus | Union |
| **SALE DATE** | 03-22-24 | 04-04-24 | 06-18-24 | 05-24-24 | 04-26-24 |
| **EFF. SALE PRICE** | $4,250,000 | $5,000,000 | $4,950,000 | $4,625,000 | $5,000,000 |
| **YEAR BUILT** | 1991 | 1982 | 2001 | 1994 | 1986 |
| **NO. OF UNITS** | 34 | 57 | 40 | 44 | 61 |
| **SIZE, SF** | 35,088 | 54,150 | 38,000 | 29,920 | 45,400 |
| **AVG. UNIT SIZE, SF** | 1,032 | 950 | 950 | 680 | 744 |
| **SALE PRICE/SF** | $121.08 | $92.34 | $130.26 | $154.58 | $110.13 |
| **SP/UNIT** | $125,000 | $87,719 | $123,750 | $105,114 | $81,967 |
| **OAR** | 5.5% | 5.5% | 6.8% | 5.5% | 7.1% |
| **EGIM** | 11.0 | 10.8 | 9.7 | 11.3 | 9.3 |
| **NOI/UNIT** | $6,885 | $4,821 | $8,380 | $5,744 | $5,785 |

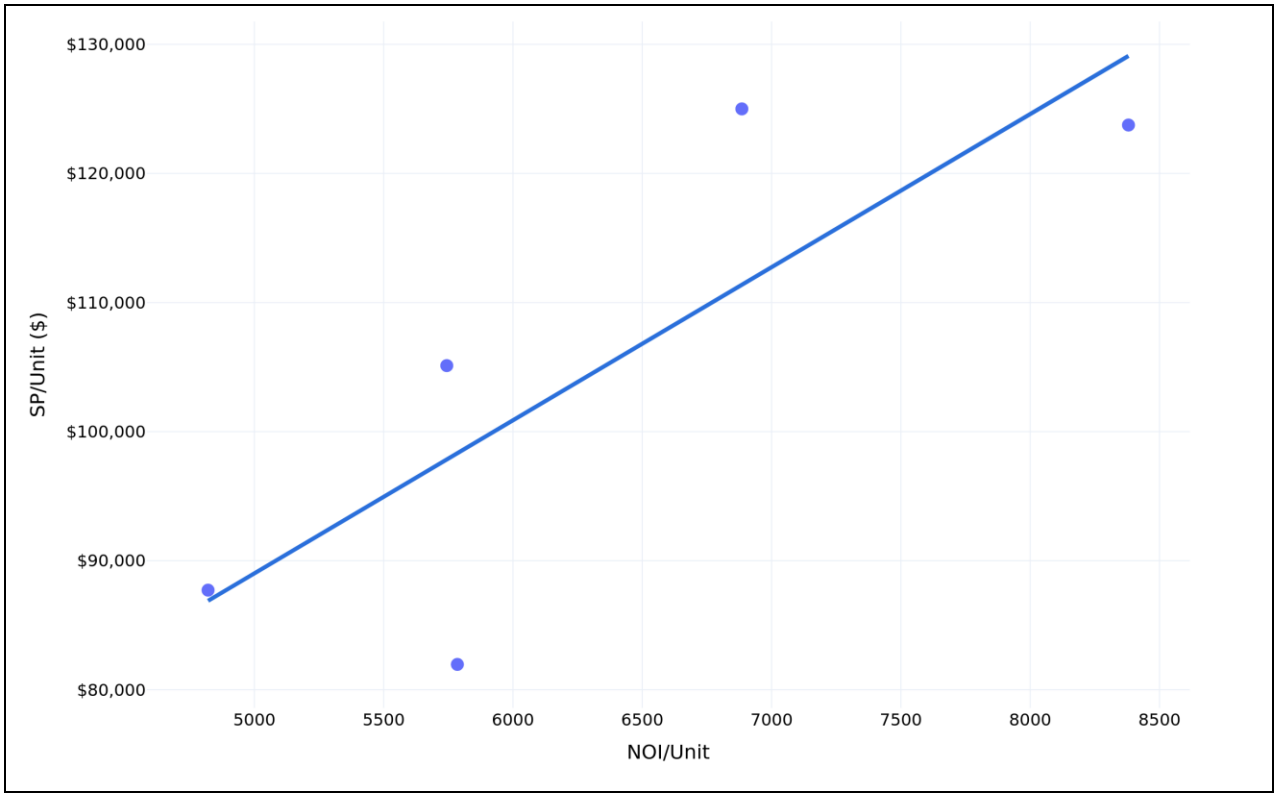
**SALE PRICE PER UNIT BY AGE**




**SALE PRICE PER UNIT BY AVERAGE UNIT SIZE**



## SALE PRICE PER UNIT BY NOI PER UNIT



**Multifamily Sale No. 1**



**Property Identification**

| | |
|---|---|
| **Record ID** | 498 |
| **Property Type** | Garden |
| **Property Name** | Oak Hill Square |
| **Address** | 3456-3480 Jondon Ln, Gastonia NC 28056 |
| **Location** | Outlying Gaston County |
| **Tax ID** | 3554-40-0181 |

**Sale Data**

| | |
|---|---|
| **Grantor** | Oak Hill Square, LLC |
| **Grantee** | GP Oak Hill Square, LLC |
| **Sale Date** | 3/22/2024 |
| **Deed Book/Page** | 5467/1550 |
| **Plat Book/Page** | 046/037 |
| **Property Rights** | Leased Fee |
| **Sale Price** | $4,250,000 |
| **Cash Equivalent** | $4,250,000 |
| **Adjusted Price** | $4,250,000 |

**Land Data**

| | |
|---|---|
| **Land Size** | 2.92 ac / 127,195 SF |
| **Zoning** | RMF |
| **Topography** | Typical |
| **Utilities** | City water/sewer |
| **Total Units** | 34 |
| **Avg. Unit Size** | 1,032 SF |
| **Gross SF** | 35,088 |

**Multifamily Sale No. 1 (Cont.)**

| | |
|---|---|
| **General Physical Data** | |
| **No. of Buildings** | 4 |
| **Construction Type** | Wood Frame with Vinyl Siding and Brick Veneer |
| **HVAC** | Central |
| **Parking** | Surface 2.29/unit |
| **Stories** | 2 |
| **Utilities with Rent** | |
| **Unit Amenities** | W/D hookup, dishwasher |
| **Project Amenities** | |
| **Year Built** | 1991 |
| **Condition** | Average |
| | |
| **Income Analysis** | |
| **Effective Gross Income** | $386,297 |
| **Net Operating Income** | $234,083 |
| **Indicators** | |
| **Sale Price/Gross SF** | $121.08 |
| **Sale Price/Unit** | $125,000 |
| **Occupancy at Sale** | 91.20% |
| **Overall or Cap Rate** | 5.5% |
| **EGIM** | 11.0 |
| **NOI/SF** | 6.92 |
| **NOI/Unit** | $6,885 |

**Remarks**

This property consists of a mix of 10, 750 S.F. one-bedroom units and 24 1,150 S.F. two-bedroom units. The average unit size is 1,032 S.F.

**Multifamily Sale No. 2**



| | |
|---|---|
| **Property Identification** | |
| **Record ID** | 501 |
| **Property Type** | Garden Style |
| **Property Name** | Windsor |
| **Address** | 100 W. 17th Street, Newton, NC 28658 |
| **Location** | Off North Main Avenue |
| | |
| **Tax ID** | 374005094658 |
| **Sale Data** | |
| **Grantor** | ANDREAROBERT, LLC |
| **Grantee** | GBPM WINDSOR, LLC |
| **Sale Date** | 04/04/2024 |
| **Deed Book/Page** | 03864/0312 |
| **Property Rights** | Leased Fee |
| **Sale Price** | $5,000,000 |
| **Cash Equivalent** | $5,000,000 |
| **Adjusted Price** | $5,000,000 |
| | |
| **Land Data** | |
| **Land Size** | 4.17 Acres / 181,645 SF |
| **Zoning** | PD-H |
| **Topography** | Typical |
| **Utilities** | All available |
| **Total Units** | 57 |
| **Avg. Unit Size** | 950 SF |
| **Rentable SF** | 54,150 |

**Multifamily Sale No. 2 (Cont.)**

| | |
|---|---|
| **General Physical Data** | |
| **No. of Units** | 57 |
| **No. of Buildings** | 9 |
| **Construction Type** | Wood frame, brick veneer and stucco |
| **HVAC** | Central |
| **Parking** | Asphalt surface |
| **Stories** | ½ |
| **Utilities with Rent** | None |
| **Unit Amenities** | W/D Hookups |
| **Project Amenities** | None |
| **Year Built** | 1982 |
| **Condition** | Average |
| | |
| **Income Analysis** | |
| **EGI** | $460,842 |
| **Net Operating Income** | $274,803 |
| **Indicators** | |
| **Sale Price/SF** | $92.34 |
| **Sale Price/Unit** | $87,719 |
| **Overall or Cap Rate** | 5.5% |
| **EGIM** | 10.8 |
| **NOI/SF** | $5.07 |
| **NOI/Unit** | $4,821 |

**Remarks**

This property includes 10 one-bedroom units, 37 two-bedroom units and 10 three-bedroom units.

**Multifamily Sale No. 3**



**Property Identification**

| | |
|---|---|
| **Record ID** | 500 |
| **Property Type** | Garden |
| **Property Name** | Ashford Place |
| **Address** | 701 Rain Place Court, Kannapolis NC 28081 |
| **Location** | Cabarrus County, Charlotte market |
| **Tax ID** | 04-044 -0127.20 |

**Sale Data**

| | |
|---|---|
| **Grantor** | Rain Place Holdings, LLC |
| **Grantee** | Ashford Place Owner, LLC |
| **Sale Date** | 06/18/2024 |
| **Deed Book/Page** | 16975/0276 |
| **Plat Book/Page** | 00002/00035 |
| **Property Rights** | Leased Fee |
| **Sale Price** | $4,950,000 |
| **Cash Equivalent** | $4,950,000 |
| **Adjusted Price** | $4,950,000 |

**Land Data**

| | |
|---|---|
| **Land Size** | 2.75 Acres / 119,790 SF |
| **Zoning** | RV |
| **Topography** | Flat |
| **Utilities** | All available |
| **Total Units** | 40 |
| **Avg. Unit Size** | 950 SF |
| **Rentable SF** | 38,000 |

**Multifamily Sale No. 3 (Cont.)**

| | |
|---|---|
| **General Physical Data** | |
| **No. of Units** | 40 |
| **No. of Buildings** | 4 |
| **Construction Type** | Wood frame, vinyl siding |
| **HVAC** | Central |
| **Parking** | Asphalt surface |
| **Stories** | 2 |
| **Utilities with Rent** | Water/Trash |
| **Unit Amenities** | W/D hookups |
| **Project Amenities** | None |
| **Year Built** | 2001 |
| **Condition** | Average |
| | |
| **Income Analysis** | |
| **Effective Gross Income** | $512,061 |
| **Net Operating Income** | $335,190 |
| **Indicators** | |
| **Sale Price/Gross SF** | $130.26 |
| **Sale Price/Unit** | $123,750 |
| **Occupancy at Sale** | 95% |
| **Overall or Cap Rate** | 6.8% |
| **EGIM** | 9.7 |
| **NOI/SF** | $9.31 |
| **NOI/Unit** | $8,380 |

**Remarks**

The property consists of 40 two-bedroom, one bath units, each totaling 950 S.F. The property is located within two miles of the North Carolina Research Campus. Approximately 20-25 units had been renovated in 2019 and vinyl siding, roof and gutters were recently replaced.

**Multifamily Sale No. 4**



**Property Identification**

| | |
|---|---|
| **Record ID** | 501 |
| **Property Type** | Garden Style |
| **Property Name** | Northway at Cabarrus |
| **Address** | 1919-1921 Pine Bough Ln, Concord, NC 28027 |
| **Location** | North of I-85 |
| | |
| **Tax ID** | 374005094658 |

**Sale Data**

| | |
|---|---|
| **Grantor** | 1919 PINE BOUGH LN, LLC |
| **Grantee** | PINES OF CABARRUS WPXI, LLC |
| **Sale Date** | 05/24/2024 |
| **Deed Book/Page** | 16945/0275 |
| **Property Rights** | Leased Fee |
| **Sale Price** | $4,625,000 |
| **Cash Equivalent** | $4,625,000 |
| **Adjusted Price** | $4,625,000 |

**Land Data**

| | |
|---|---|
| **Land Size** | 7.164 Acres / 312,064 SF |
| **Zoning** | R-18 |
| **Topography** | Typical |
| **Utilities** | All available |
| **Total Units** | 44 |
| **Avg. Unit Size** | 680 SF |
| **Rentable SF** | 29,920 |

**Multifamily Sale No. 4 (Cont.)**

| **General Physical Data** | |
|---|---|
| **No. of Units** | 44 |
| **No. of Buildings** | 6 |
| **Construction Type** | Wood frame, brick veneer |
| **HVAC** | Central |
| **Parking** | Asphalt surface |
| **Stories** | 1/2 |
| **Utilities with Rent** | Water/Sewer/Trash |
| **Unit Amenities** | Solid surface counters |
| **Project Amenities** | None |
| **Year Built** | 1994 |
| **Condition** | Good |

| **Income Analysis** | |
|---|---|
| **EGI** | $408,214 |
| **Net Operating Income** | $252,715 |
| **Indicators** | |
| **Sale Price/SF** | $154.58 |
| **Sale Price/Unit** | $105,114 |
| **Overall or Cap Rate** | 5.5% |
| **EGIM** | 11.3 |
| **NOI/SF** | $8.45 |
| **NOI/Unit** | $5,744 |

**Remarks**

This property includes 24 one-bedroom units and 20 two-bedroom units with an average units size of 680 S.F.

**Multifamily Sale No. 5**



| | |
|---|---|
| **Property Identification** | |
| **Record ID** | 503 |
| **Property Type** | Garden Style |
| **Property Name** | Riverside Village |
| **Address** | 2527 Riverside Ln., Monroe, NC 28110 |
| **Location** | North of US Highway 74 |
| **Tax ID** | 09-112-009 & 09-112-011 |
| **Sale Data** | |
| **Grantor** | KKM Holdings, LLC |
| **Grantee** | Saratoga SSDB Investments, LLC |
| **Sale Date** | 04/26/2024 |
| **Deed Book/Page** | 8893/0764 |
| **Property Rights** | Leased Fee |
| **Sale Price** | $5,000,000 |
| **Cash Equivalent** | $5,000,000 |
| **Adjusted Price** | $5,000,000 |
| | |
| **Land Data** | |
| **Land Size** | 6.78 Acres / 295,337 SF |
| **Zoning** | AW-7 |
| **Topography** | Typical |
| **Utilities** | All available |
| **Total Units** | 61 |
| **Avg. Unit Size** | 744 SF |
| **Rentable SF** | 45,400 |

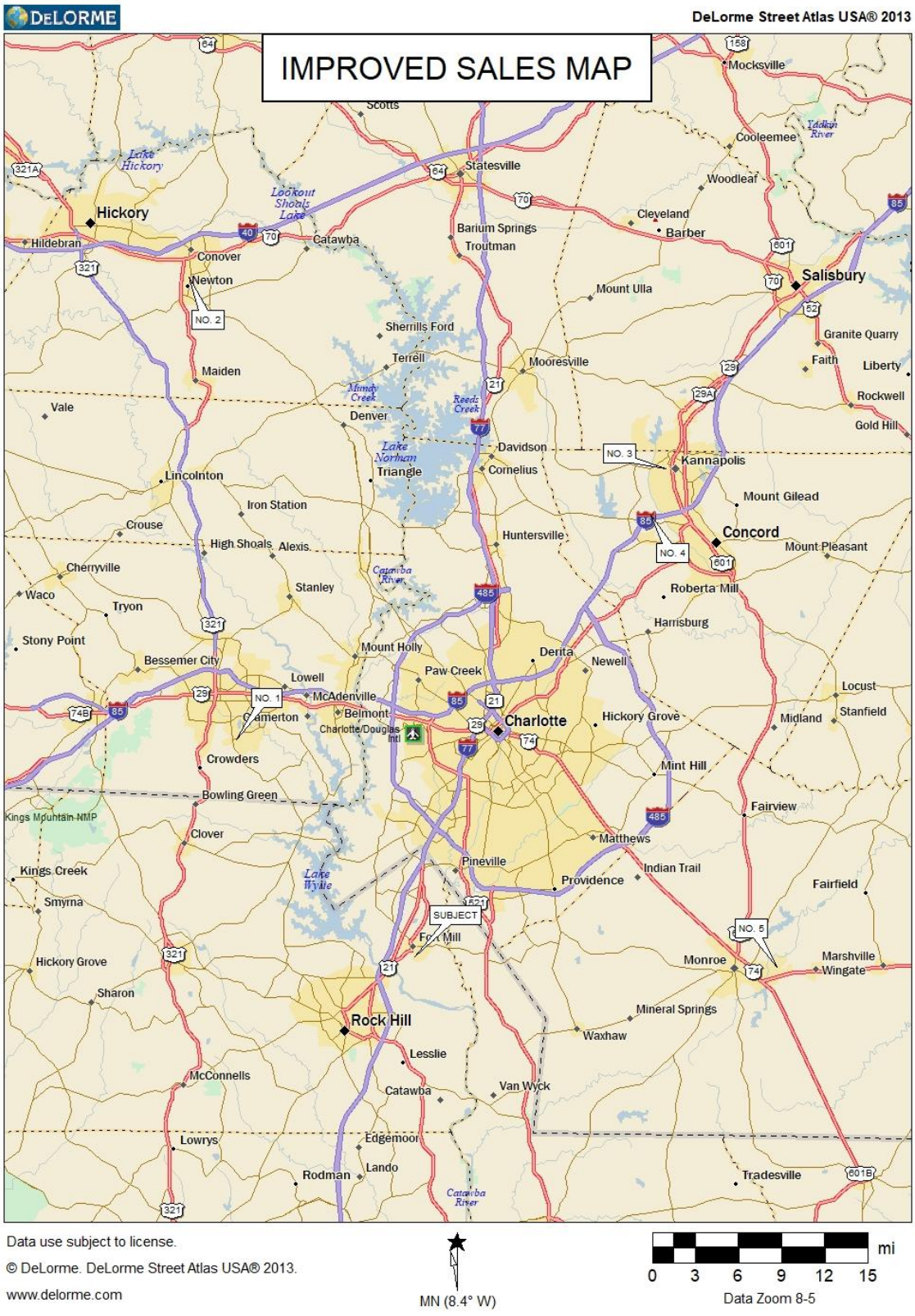
**Multifamily Sale No. 5 (Cont.)**

| **General Physical Data** | |
|---|---|
| **No. of Units** | 61 |
| **No. of Buildings** | 10 |
| **Construction Type** | Wood frame, brick veneer |
| **HVAC** | Window Units |
| **Parking** | Asphalt surface |
| **Stories** | 1 |
| **Utilities with Rent** | Water/Trash |
| **Unit Amenities** | None |
| **Project Amenities** | None |
| **Year Built** | 1986 |
| **Condition** | Average |

| **Income Analysis** | |
|---|---|
| **Effective Gross Income** | $538,000 |
| **Net Operating Income** | $352,888 |
| **Indicators** | |
| **Sale Price/SF** | $110.13 |
| **Sale Price/Unit** | $81,967 |
| **Occupancy at Sale** | 98% |
| **Overall or Cap Rate** | 7.1% |
| **EGIM** | 9.3 |
| **NOI/SF** | $7.77 |
| **NOI/Unit** | $5,785 |

**Remarks**

This property is located in eastern Monroe, about three miles west of Wingate University.


DeLorme
DeLorme Street Atlas USA® 2013
IMPROVED SALES MAP
Hickory
Hildebran
Conover
Newton
Catawba
Lake Hickory
Lookout Shoals Lake
Statesville
Barium Springs
Troutman
Cleveland
Barber
Woodleaf
Cooleemee
Mocksville
Salisbury
Mount Ulla
Granite Quarry
Faith
Liberty
Rockwell
Gold Hill
Kannapolis
Concord
Mount Gilead
Mount Pleasant
Roberta Mill
Harrisburg
Locust
Stanfield
Midland
Hickory Grove
Mint Hill
Fairview
Matthews
Indian Trail
Fairfield
Marshville
Wingate
Monroe
Waxhaw
Mineral Springs
Tradesville
Sherrills Ford
Terrell
Maiden
Vale
Denver
Lake Norman
Triangle
Davidson
Cornelius
Mooresville
Reeds Creek
Mundy Creek
Lincolnton
Iron Station
Crouse
High Shoals
Alexis
Cherryville
Waco
Tryon
Stony Point
Bessemer City
Lowell
McAdenville
Belmont
Cramerton
Crowders
Bowling Green
Kings Mountain NMP
Clover
Kings Creek
Smyrna
Hickory Grove
Sharon
Rock Hill
Lesslie
McConnells
Lowrys
Rodman
Edgemoor
Lando
Catawba
Van Wyck
Pineville
Lake Wylie
Providence
Huntersville
Stanley
Mount Holly
Paw Creek
Derita
Newell
Charlotte
Charlotte/Douglas Intl
SUBJECT
NO. 1
NO. 2
NO. 3
NO. 4
NO. 5
Catawba River
Data use subject to license.
© DeLorme. DeLorme Street Atlas USA® 2013.
www.delorme.com
MN (8.4° W)
0 3 6 9 12 15
mi
Data Zoom 8-5

## RECONCILIATION AND FINAL CONCLUSIONS OF VALUE

Value Indications (Market Rents):

| | |
|---|---|
| Income Approach to Value | $4,400,000 |
| Sales Comparison Approach to Value | $4,590,000 |

Value Indication (Restricted Rents):

| | |
|---|---|
| Income Approach to Value | $ 965,000 |
| Interest Credit Subsidy | $ 342,000 |
| Total | $1,307,000 |
| | |
| Site Value | $ 950,000 |

The Cost Approach to Value is a very reliable indication of value for new or fairly new properties when they represent the highest and best use of the site. The subject improvements are about 46 years old. Depreciation would be difficult to accurately measure and the Cost Approach to Value would not be relevant and has been omitted from this appraisal.

The income capitalization process involves converting future benefits into present value. The Income Approach to Value is considered to produce the most reliable indications of value and is given significant weight as a market rent property and as a restricted rent property.

The Sales Comparison Approach to Value is given weight in the analysis of the subject property, based on market rents. As outlined in the scope of this appraisal, the Sales Comparison Approach to Value would be not produce a reliable value indication for the property as a subsidized property and has been omitted.

Based upon the foregoing analysis, an opinion has been formed that the Market Value "As Is" of the leased fee estate of the subject property, based on the current restricted rents and including Interest Credit Subsidy Value, as of April 9, 2026, subject to the Extraordinary and General and Underlying Assumptions and General Limiting Conditions, was:

**ONE MILLION THREE HUNDRED SEVEN THOUSAND DOLLARS**
**$1,307,000**

**This value includes $342,000 in Interest Credit Subsidy Value**

Further, an opinion has been formed that the Market Value of the leased fee estate of the subject property, based on market rents and assuming stabilized occupancy, as of April 9, 2026, subject to the General and Underlying Assumptions and Hypothetical and General Limiting Conditions was:

**FOUR MILLION FOUR HUNDRED NINETY THOUSAND DOLLARS**
**$4,490,000**

Of the preceding values estimated for the subject property, **$950,000** is allocated to the land.

Of the preceding values estimated for the subject property, **-0-** is allocated to personal property.

## QUALIFICATIONS

Franklin B. Sewell, MAI
Gold Bug Realty, 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

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.) - Franklin B. Sewell**

| | |
|---|---|
| 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 Valuation Servies, LLC/ Gold Bug Realty, 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 Multiple Listing Service

Appraisal Experience Includes:

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

# ADDENDA

# ADDENDUM A

Form No. 107—Title to Real Estate to a Corporation, Land Title Partnership

# The State of South Carolina,

830

COUNTY OF YORK,



KNOW ALL MEN BY THESE PRESENTS, THAT

FILED & RECORDED
BOOK ____ PAGE ____
JUN 4 1:15 PM '79
THAD L. CARROLL
C.C.C.P. & G.S.
YORK COUNTY, S.C.

I, DONALD A. CAMPBELL, JR.,



COUNTY CONVEYANCE TAX
5 46.15
PAID

*in the State aforesaid for and in consideration of the sum of*

Forty-Two Thousand and 00/100 ($42,000.00)

*Dollars,*

*to me in hand paid at and before the sealing and delivery of these Presents, by*

KNOLLWOOD, A Limited Partnership, Post Office Box 7, Camden, South Carolina 29020

*in the State aforesaid (the receipt whereof is hereby acknowledged),*

*have granted, bargained, sold and released, and by these Presents do grant, bargain, sell and release unto the said* KNOLLWOOD, A Limited Partnership, its successors and assigns, the following real estate:

ALL those certain parcels or tracts of land lying and being situate within the incorporate limits of the Town of Fort Mill, Fort Mill Township, York County, South Carolina, and being more particularly described as follows:

TRACT ONE.

BEGINNING at a point on the northern side of a proposed street 50 feet in width and thence along the edge of said street N. 63-49 W. 747.5 feet to a point; thence N. 22-11 E. 100 feet to a point; thence N. 57-34 E. 383.9 feet to a point; thence S. 26-55 E. 245 feet to an old iron; thence N. 63-05 E. 150 feet to an old iron near the end of Link Street; thence S. 26-21 E. 16 feet to an old iron; thence N. 62-46 E. 241.9 feet to an old iron on Williamson Street; thence S. 36-01 E. 45.2 feet to an old iron near the intersection of Williamson Street and Banks Street; thence with Banks Street S. 18-52 W. 222.7 feet to an old iron; thence N. 71-08 W. 150 feet to a point; thence S. 18-52 W. 100 feet to a point; thence S. 71-08 E. 150 feet to a point; thence with Banks Street S. 18-52 W. 245.1 feet to the point of beginning; containing 5.87 acres and designated as Tract #1 on a plat entitled "Property of Wright-Warlick," prepared by John Quinn Hall, dated August 18, 1976, filed and recorded August 23, 1976, in Plat Book 50, Page 56, Office of the Clerk of Court for York County, South Carolina.

ALSO

ALL that certain piece, parcel or strip of land lying between the eastern boundary of the above 5.87 acre tract of land and the western edge of Banks Street, as delineated in red on the above-mentioned plat, filed and recorded in Plat Book 50, Page 56, Office of the Clerk of Court for York County, South Carolina.

TRACT TWO.

BEGINNING at a point on the southern side of a proposed street 50 feet in width and thence along the edge of said street S. 63-49 E. 236 feet to an old iron; thence S. 26-10 W. 109 feet to a point; thence N. 61-38 W. 236.1 feet to a point; thence N 26-10 E. 100 feet to the point of beginning; containing 0.56 acres and designated as Tract #2 on a plat entitled "Property of Wright-Warlick," perpared by John Quinn Hall, dated August 18, 1976, filed and recorded August 23, 1976, in Plat Book 50, Page 56, Office of the Clerk of Court for York County, South Carolina.

(Continued)

The above-described tracts are portions of the real estate conveyed by Frank M. Warlick to Donald A. Campbell, Jr., by deed dated December 5, 1978, to be recorded contemporaneously herewith in the Office of the Clerk of Court for York County, South Carolina, on January 4, 1979.

*TOGETHER with all and singular the Rights, Members, Hereditaments and Appurtenances to the said Premises belonging, or in anywise incident or appertaining.*

*TO HAVE AND TO HOLD, all and singular, the said premises before mentioned, unto the said*

ENGLEWOOD, A Limited Partnership, *its successors and assigns forever.*

*And I do hereby bind* myself and my *Heirs, Executors and Administrators, to warrant and forever defend all and singular the said premises unto the said*

ENGLEWOOD, A Limited Partnership,

*its successors and assigns against* me *and* my *Heirs*

*lawfully claiming, or to claim the same, or any part thereof.*

*WITNESS* my *Hand and Seal, this* 4th *day of* January *in the year of our Lord one thousand nine hundred and* seventy-nine *and in the* ~~hundredth~~ two hundred and third *year of the Sovereignty and Independence of the United States of America.*

*Signed, Sealed and Delivered in the Presence of*

John M. Smith Jr.

Kathleen McCrae

Donald A. Campbell (L. S.)
DONALD A. CAMPBELL, JR.

(L. S.)

(L. S.)

**The State of South Carolina,**
York **County**

*PERSONALLY appeared before me,* John M. Spratt, Jr.

*and made oath that* he *saw the within named* DONALD A CAMPBELL, JR.

*sign, seal, and as* his *Act and Deed deliver the within written Deed; and that* he *with* Stephen R. McCree, Jr.

*witnessed the execution thereof.*

*SWORN to before me, this* 4th *day of* January *A. D. 1979*

John M Spratt Jr.

Notary Public for South Carolina
My commission expires: 8-20-85

**The State of South Carolina,**
York **County**

RENUNCIATION OF DOWER.

*I,* Stephen R. McCrae, Jr., Notary Public for South Carolina, *do hereby certify unto all whom it may concern, that* Mrs. Elizabeth N. Campbell *wife of the within named* Donald A. Campbell, Jr. *did this day appear before me, and upon being privately and separately examined by me, did declare that she does freely, voluntarily, and without any compulsion, dread, or fear of any person or persons whomsoever renounce, release and forever relinquish unto the within named* ENGLAND, A Limited Partnership,

*its successors and assigns, all her interest and estate, and also all her right and claim of Dower, of, in, or to all and singular the premises within mentioned and released.*

*Given under my Hand and Seal, this* 4th *day of* January *Anno Domini, 19 79*

Elizabeth N. Campbell
Elizabeth N. Campbell

Notary Public for South Carolina
My commission expires: 8-20-85

Book 585 Page 833

The State of South Carolina,

Donald A. Campbell

TO

Knollwood, A Limited Partnership

TITLE TO REAL ESTATE

Filed 4th day

of January A. D. 1979

at 4:13 o'clock P M.

and recorded in Book 585

Page 830 Fee, $

Ward L. Carroll

R. M. C. or Clerk Court C. P. & G. S.

York County, S. C.

Recorded this day

of , 19

in Book Page

Fee, $

Auditor County, S. C.

RECORDED
YORK COUNTY
TAX ASSESSOR'S OFFICE
DATE 1/5/79
TAX MAP NO. 2a-6-1-61
INITIALS

**PURCHASE AND SALE AGREEMENT**
**(Knollwood Apartments)**

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into effective as of February 9, 2026 (the "Effective Date"), by and among **Mustang GP Holdings, LLC**, a Mississippi limited liability company, as to the general partner interests comprising the Project Owner, and **Mustang Limited Partners, LLC**, a Mississippi limited liability company, as to the limited partner interests comprising the Project Owner (each referred to herein as a "Purchaser" and collectively, the "Purchasers"), and the parties listed on *Exhibit A* attached hereto (individually referred to herein as "Seller" and together as "Sellers").

**RECITALS:**

A. Each Seller is the owner and holder of the interests and assets listed on *Exhibit A*, together with all rights, claims, and interests of each Seller arising from or related thereto, or to the Project Owners or the Projects (as defined below), including, without limitation, all developer fees, incentive management fees, rights of first refusal, option agreements, capital accounts, loans and loan repayments, rights to distributions, profits and losses, allocations, residual cash flow streams, compensation, reimbursements, and other related assets (individually an "Asset" and together the "Assets").

B. The Assets arise out of or are related to the limited partnerships and/or limited liability companies listed on *Exhibit A* (individually a "Project Owner" and together the "Project Owners") which own and operate the affordable housing projects listed on *Exhibit A* attached hereto (and including all land, ground lease rights, improvements and personal property owned or used by the Project Owner in connection therewith, individually a "Project" and together the "Projects").

C. Pursuant to this Agreement, the Purchasers desire to acquire the Assets from the Sellers and the Sellers desire to sell the Assets to the Purchasers.

D. The parties desire to enter into this Agreement for purposes of effectuating the foregoing transactions.

**NOW, THEREFORE**, in consideration of the premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the parties hereby agree as follows.

**AGREEMENT**

**Section 1. Purchase and Sale.** Purchasers agree to purchase and Sellers agree to sell the Assets in accordance with and subject to the terms of this Agreement. The intent is for the Sellers and their affiliates to sell and the Purchasers to purchase all of their rights, claims and interests in and to the Project Owners and the Projects, with the term "all" being intended to be interpreted in the most comprehensive sense.

**Section 2.** **Purchase Price.** The consideration to be paid by Purchasers for the Assets is Three Hundred Thousand and No/100 Dollars ($300,000.00) (the "Purchase Price"). The Purchase Price is an aggregate price for all of the Assets and has not been allocated as between Sellers and Purchasers. However, it is agreed that for federal tax purposes only, the Purchase Price will be allocated among the various types of Assets as set forth in *Exhibit A-1* attached hereto. The Purchase Price will be subject to adjustments as provided in this Agreement.

**Section 3.** **Earnest Money; Independent Consideration**.

(a) Earnest Money Deposit. Within ten (10) Business Days following the Effective Date, Purchasers shall deliver to Watkins & Eager PLLC (the "Escrow Agent"), by wire transfer, the amount of Ten Thousand and No/100 Dollars ($10,000.00) (the "Earnest Money Deposit"). Sellers shall have the option of terminating this Agreement if the full amount of Initial Earnest Money Deposit is not delivered to the Escrow Agent as provided for in this Section 3(a). The Earnest Money Deposit shall be held by the Escrow Agent in accordance with the terms hereof. Following the Due Diligence Termination Date, and provided that Purchasers have not elected to terminate this Agreement pursuant to Section 5, the Earnest Money Deposit shall be non-refundable, except upon (i) the occurrence of any breach of this Agreement by Sellers, and (ii) the failure to obtain the Transaction Approvals (including a denial of any Transaction Approval by the party providing such Transaction Approval).

(b) Independent Consideration. The amount of One Hundred and No/100 Dollars ($100.00) of the Earnest Money Deposit (the "Independent Consideration") is expressly reserved as independent consideration for Purchasers' right of termination hereunder. If this Agreement is terminated by Purchasers pursuant to its rights hereunder, Purchasers shall be required to pay the Independent Consideration to Sellers. Notwithstanding anything to the contrary herein, the Independent Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, and is nonrefundable and may be retained by Sellers in all events.

**Section 4.** **Seller Deliveries.** Sellers agree to deliver to Purchasers, within five (5) Business Days following the Effective Date (the "Document Disclosure Date"), copies of the documentation and information listed on *Exhibit B* attached hereto (the "Diligence Documents"). Sellers will also provide to Purchasers, within two (2) Business Days following Purchaser's written request (which may be via email only), any other information reasonably requested by Purchasers in connection with its investigation of the Projects, the Project Owners, the Sellers, and the Assets, to the extent the same is in Sellers' possession or control. For all purposes of this Agreement, the phrase "Sellers' possession or control" shall include, without limitation, information reasonably accessible to Sellers including information within the possession or control of the property management company for the Project.

Purchasers acknowledge that, except as expressly set forth in this Agreement, Sellers make no representation or warranty as to the accuracy or completeness of any Diligence Documents which consist of third party prepared reports pertaining to physical matters related to the Project or Diligence Documents which were prepared or produced by parties other than Sellers prior to the date Sellers became the owners of the applicable Assets, except to the extent to the Knowledge of Sellers known to be false or misleading. All information contained in the Diligence Documents, and all information derived by Purchasers in the course of its investigation of the Projects, will be

considered confidential and, prior to Closing, will not be disclosed to third parties (other than Purchasers' attorneys, accountants, prospective lender(s), consultants, owners, affiliates and investors, each of which Purchasers will inform of the foregoing confidentiality undertaking).

**Section 5. Various Inspections; Due Diligence Period.**

(a) Title Examination and Survey. Purchasers may order at any time and multiple times, at its expense, updated title policies, title search reports and updated surveys and Sellers shall cooperate with Purchasers in connection therewith.

(b) Physical Inspections. Between the Effective Date and the Closing Date, Purchasers and Purchasers' agents and contractors shall have the right to enter the Projects for the purposes of inspecting and investigating the physical condition of the Projects. In addition to such other activities that Purchasers may determine to be appropriate to carry out such investigations and inspections, Purchasers may at its election undertake any or all of the following activities after providing reasonable notice: (a) with a representative of Seller present if requested by Seller, interview the Project manager and maintenance supervisor with respect to the operation and management of the Project; (b) examine the physical structures and components of the improvements, including, without limitation, the life safety systems, electrical, mechanical, and HVAC systems; and (c) conduct studies to determine that the Project and the operation thereof complies with all requirements of all governmental authorities having jurisdiction with respect thereto, including, without limitation, matters of zoning, building code compliance, compliance with the Americans with Disabilities Act; provided, however, that (i) Purchasers have given Sellers at least 24 hours', on calendar business days, prior written notice of Purchaser's proposed entry onto the Project, (ii) such entry will be conducted during normal business hours, (iii) Purchasers will be accompanied by Seller's representative during such entry, (iv) Purchasers' entry will be subject to the rights of tenants under the Leases, (v) Purchaser's entry will not include any invasive testing, sampling or measurements without Sellers' prior written consent (which may be conditioned or denied in Sellers' sole discretion), and (vi) Purchasers will repair any damage to the Projects caused by Purchasers' examinations or inspections thereof. Purchasers hereby indemnify and agree to defend and hold harmless the Project Owners from and against any claims, liens, liabilities, losses, damages, costs and expenses, including, without limitation, reasonable attorneys' fees and costs of the Project Owners, if and to the extent arising out of: (i) claims of lien by contractors, materialmen or laborers for work or tests performed for Purchasers; or (ii) claims for Projects damage, bodily injury or death due to the acts or omissions of Purchasers or its agents or contractors in connection with their entry onto or work on the Projects. Access to occupied units shall be subject to advance notice to the tenant if required by applicable law, and unless otherwise approved by Sellers shall be limited to only one occasion per unit. If third-parties will accompany Purchasers, Purchasers shall provide Sellers (in advance of the entry or within a reasonable time thereafter) with the names and affiliations of all third persons who will enter the Projects.

Purchasers hereby agree that it shall carry, and shall cause all representatives and agents of Purchasers entering any of the Projects to carry, commercial general liability insurance, with limits of not less than $2,000,000 combined single limit for Purchasers and $1,000,000 combined single limit for Purchasers' representatives and agents, and providing that such coverages are primary and naming Sellers, the Project Owners as additional insureds. Purchasers shall provide Sellers with certificates evidencing such insurance coverage.

(c) Document Inspections. The Purchasers shall, in their discretion, inspect the Diligence Documents.

(d) Litigation and Judgment Searches. The Purchasers may order searches in the county and state of the applicable Projects and the state of organization of each Project Owner and Seller (the "Searches").

(e) Due Diligence Termination Date. By 5:00P.M. Central Time on the date that is sixty (60) calendar days after the Document Disclosure Date (the "Due Diligence Termination Date"), Purchasers shall review the status and condition of the Assets, the Diligence Documents, the Project Owners, and the Projects and determine whether Purchasers desires to purchase the Assets on the terms and conditions contained in this Agreement. If Purchasers determine that the Assets, the Diligence Documents, the Project Owners or the Projects, or any one or more of them, or any other matter(s) related thereto, are not acceptable to Purchasers for any reason or for no reason at all, Purchasers shall have the right to terminate this Agreement by delivering written notice (a "Termination Notice") to Sellers and to Escrow Agent on or before the Due Diligence Termination Date. If Purchasers provide the Termination Notice prior to the Due Diligence Termination Date, then Escrow Agent shall promptly return the Initial Earnest Money Deposit, less the Independent Consideration, to Purchasers, and upon Purchasers' receipt thereof, this Agreement shall terminate and neither Sellers nor Purchasers will have any further obligations hereunder, except those that expressly survive termination as provided herein.

**Section 6. Sellers' Warranties & Representations.** Each Seller, solely with respect to the Assets it owns, the Project Owner of which is it a partner or member, and the Project owned by such Project Owner, represents, warrants and covenants to Purchasers as of the Effective Date and as of the Closing as follows:

(a) Diligence Documents. To Seller's Knowledge, the Diligence Documents, are true and complete copies of such Diligence Documents. To Sellers' Knowledge, the Diligence Documents do not contain untrue statements of material fact or omit information necessary to prevent the information contained therein from being materially misleading.

(b) No Litigation. Other than standard tenant disputes in the ordinary course of business and other than as disclosed in the Diligence Documents, there is no action, suit,

arbitration, unsatisfied order or judgment, governmental investigation or other proceeding ("Proceeding") pending, or to the Knowledge of the Sellers threatened, against or involving Sellers, any Project Owner, any Projects or the transactions contemplated hereby, and to the Knowledge of Sellers, there is no basis for any such Proceeding.

(c) Title. To Sellers' Knowledge, each Project Owner owns good and marketable title to its Project and other assets and properties, free and clear of any restriction on transfer, pledge, hypothecation or other encumbrance, charge, lien, option, warrant, purchase right, contract, commitment, claim, demand or rights of others whatsoever (a "Lien") other than the matters shown on the Title Policies. Without limiting the foregoing, and to Sellers' Knowledge, none of the Personal Property is subject to any lease, title retention agreement, rights of reversion, restriction or Lien except as shown in the Debt Documents. To Sellers' Knowledge, no other tangible or intangible personal property of the Project Owner, including, without limitation, the Project Contracts, is subject to any license, title retention agreement, rights of reversion, restriction or Lien except as shown in the Debt Documents. Each Seller is the sole owner (legally and beneficially) of its respective Assets as shown on *Exhibit A*, free and clear of any Lien, except for any Lien imposed by the terms of the Debt Documents. Except in regard to the Transaction Approvals, each Seller has the unfettered right to transfer the Assets in accordance with the terms hereof. Other than the Assets, no Seller or any affiliate thereof has any claim, right or interest in, or is a lender with regard to, any Project or any Project Owner or any of the assets of any such entity. Prior to Closing, Sellers will discharge and pay in full or cause to be released any Liens on any of the Assets held by any direct or indirect beneficial owners of any Seller or any lender thereto or any successor of any such owner or lender.

During the period of each Seller's ownership of an Asset relating to a particular Project, (i) each Seller has not, and no Project Owner has, constructed new buildings or other material structures at any such Project, (ii) there are no outstanding contracts for any improvements or repairs to a Project payment of which is due and owing, which have not been or will not be fully paid for prior to or at Closing, and Sellers shall cause to be discharged all mechanics' and materialmen's liens arising from any labor or materials furnished prior to Closing which pertain to a Project or Project Owner.

The Sellers own all right, title and interest in any deferred fees to be conveyed hereunder. Other than such deferred fees and fees owed for the prior month in the ordinary course of business under the Project Contracts disclosed on or prior to the Document Disclosure Date, the property management companies have no claim, right or interest in or as a lender, in regard to any Project or Project Owner or any asset of any such entity (other than customary indemnification rights, if applicable, under the Project Contracts).

Debt. To Sellers' Knowledge, the Debt Documents constitute all material principal documents and agreements which evidence any and all borrowed debt of the Project Owners and all material principal documents and agreements executed in connection therewith. To the Knowledge of Sellers, no Project Owner has received any notices of default under the Debt Documents and to Sellers' Knowledge, no material default or event of default by any Seller or any Project Owner has occurred under the Debt Documents, and no event has occurred which, with the giving of notice or passage of time, or both, would constitute a material default or an event of material default by any Project Owner under the Debt Documents.

(d) Leases. Except as set forth in the Lease Schedule delivered hereunder prior to the Document Disclosure Date and except for leases entered into after the date of such Lease Schedule in the ordinary course of business and in accordance with the terms hereof, there are no material leases or occupancy agreements to which any Project Owner is a party. The Lease Schedule and the Rent Roll contains a true, correct and complete description of all Leases that are in effect. All Leases are to residential tenants and there are no commercial leases. Except as set forth in the Lease Schedule, there are no agreements between a Project Owner and a tenant. All sales tax due in connection with the Leases or any rents or other income received in connection therewith has been paid and there are no pending audits of any sales tax due in connection therewith. All tenant files and Leases are either located at each Project site under the control of the property management company or at the office of the property management company and will be available for inspection. To Sellers' Knowledge, and other than as disclosed on the Lease Schedule, there are no lease brokerage agreements, leasing commission agreements, or other agreements providing for payments of any amounts for leasing activities or procuring tenants with respect to any Project. Any such commissions paid or payable are as identified in the Lease Schedule.

(e) Compliance with Laws. To Sellers' Knowledge, no Project Owner nor any Seller has received any notification from any Governmental Authority (i) that any Project Owner, any Project or any Seller is in material violation of any applicable fire, health, building, use, occupancy, zoning or other Laws where such violation remains outstanding, or (ii) that any material work is required to be done upon or in connection with any Project, where such work remains outstanding. To Sellers' Knowledge, no Project Owner nor any Seller has received any notification from any Governmental Authority that any Project is the subject of any pending or threatened condemnation proceedings.

(f) Permits. To Sellers' Knowledge, all material permits required for the lawful operation, use and occupancy of the Projects, as currently being used, operated and occupied, and for the conduct of all other activities of the Project Owners, have been issued to the Project Owners and paid for and are in full force and effect. To Sellers' Knowledge, the Project Owners are in material compliance with the terms and conditions of all such permits.

(g) Environmental Notices. Except as set forth in the Environmental Reports, to Sellers' Knowledge no Project Owner nor any Seller has received notification that any Governmental Authority has determined that there is any violation of any Environmental Laws, and to Sellers' Knowledge, there is no violation of any Environmental Laws. As used in this Agreement, "Environmental Laws" means collectively Comprehensive Environmental Response, Compensation and Liability Act of 1980 (commonly known as "CERCLA"), as amended, the Superfund Amendments and Reauthorization Act (commonly known as "SARA"), the Resource Conservation and Recovery Act (commonly known as "RCRA"), and any other federal, state or local environmental legislation, ordinances or other similar Laws applicable to the environmental condition of the Projects.

(h) Agreements. Except for the Leases identified in the Lease Schedule, the Debt Documents, the Organizational Documents, the Regulatory Agreements, the Guarantees, the Affiliate Agreements, the Insurance Policies represented by the insurance certificates and the Project Contracts (collectively, the "Project Agreements"), to Sellers' Knowledge, there are no material service, management, maintenance or other similar type agreements or contracts relating to the operation, management or maintenance of the Projects, or any other material contract, agreement or commitment, to which any Project Owner is a party or pursuant to which it has or will have any liability or obligation, or by which any of its assets are or will be bound. To Sellers' Knowledge, the Project Owners and the Sellers have performed all the material obligations required to be performed by them under the Project Agreements, and there exists no material breach or default on the part of any Project Owners or any Seller or to Sellers' Knowledge, any other party under any of the Project Agreements, and to Sellers' Knowledge, no event or condition has occurred or arisen which with the passage of time or the giving of notice or both would result in a material default or breach thereunder. All Project Contracts are terminable at will and without penalty upon not more than 30 days' notice.

(i) Organization. Each Project Owner and Seller is validly existing and in good standing under the Laws of the State of its formation and duly qualified in the jurisdiction in which the Project is located.

(j) Authority/Consent. Each Seller possesses all requisite power and authority (subject to receipt of the Transaction Approvals), and, if an entity, has taken (and its directors, officers, managers, partners and its equity holders have taken) all actions as required by its organizational, governing or constitutive documents (including, without limitation, any applicable trust agreement) or applicable Law, to authorize, execute and deliver this Agreement and any and all other agreements, instruments and documents to be executed and delivered in connection herewith (collectively, "Ancillary Agreements") to which such Seller is or is to be a party and to authorize the full performance of and compliance with the terms of this Agreement and such Ancillary Agreements. This Agreement (to the extent to be executed by such entity) is, and each Ancillary Agreement (to the extent to be executed by such entity) is or will be when executed and delivered, the legally valid and binding obligations of

Sellers, the Project Owners, and any of their respective affiliates that are parties thereto, enforceable against such parties in accordance with the respective terms of this Agreement and such Ancillary Agreements, except as such enforceability may be limited by the effect of any applicable Laws of general application relating to bankruptcy, reorganization, insolvency, moratorium or similar Laws affecting creditors' rights and relief of debtors generally, and general equitable principles.

(k) Bankruptcy. No bankruptcy, insolvency, reorganization or similar action or proceeding, whether voluntary or involuntary, is pending or to Sellers' Knowledge, threatened, against any Seller or any Project Owner, and no Project Owner nor any Seller has (i) made a general assignment for the benefit of creditors, or (ii) admitted its or his inability to pay its debts as they become due.

(l) Other Sales Agreements. No Project Owner nor any Seller has not entered into any contract or letter of intent to sell or assign any interest in any Project Owner, any Project, or any part thereof, which is currently in effect, nor does any party have an option or other right (including, without limitation, any right of first refusal) with respect to the purchase of any interest in any Project Owner or any Project, or any part thereof.

(m) Not a Foreign Person. No Seller is a "foreign person," "foreign trust" or "foreign corporation" within the meaning of the United States Foreign Investment in Real Project Tax Act of 1980 and the Internal Revenue Code of 1986, as currently enacted and as amended from time to time, or any successor statute (the "Code"), and regulations promulgated thereunder (the "Regulations"). None of the Project Owners is a "foreign person", "foreign trust" or "foreign corporation" within the meaning of the United States Foreign Investment in Real Project Tax Act of 1980 and the Code and the Regulations.

(n) Securities Compliance. To Sellers' Knowledge, no Seller has received notice of, nor does any Seller have Knowledge of, any violations of any state or federal securities Laws in connection with any Seller, any Project, or any Project Owner.

(o) No Violation. The execution, delivery and performance of this Agreement and the Ancillary Agreements by the Sellers does not and will not violate or conflict with, or constitute a breach or default under, or create in any party any right to accelerate, terminate, modify or cancel pursuant to, or result in any lien under, or require any authorization, consent, approval, waiver or other action (other than the Transaction Approvals) by or notice to or filing with any Governmental Authority or other person or entity under (a) the terms or provisions of any contract, agreement or commitment to which any Seller (or any direct or indirect participant in any Seller or direct or indirect lender to any such participant or any Seller) is a party or successor party or its assets are bound, (b) the terms or provisions of any contract, agreement or commitment of which Sellers have Knowledge and to which any Project Owner or any Seller is a party or successor party or by which its assets are

bound, or any of the organizational, governing or constitutive documents of any such entity, or (c) any Law to which any Project Owner or any Seller is subject.

(p) Assets and Operations. The assets of each Project Owner consist solely of the Project owned by such Project Owner, cash on hand and other assets related to the ownership and operation of such Project. The activities and operations of each Project Owner have been limited to the ownership and operation of the Project owned by such Project Owner.

(q) Employees. No Project Owner has any employees, nor has it had any employees, during the time that the Sellers have owned the Assets, and no Project Owner has any liability or obligation of any kind with respect to any employees or former employees of any person or entity.

(r) Outstanding Debt and Liabilities. To Sellers' Knowledge, no Project Owner has any material liabilities, obligations or loss contingencies of any nature, known or unknown, fixed or contingent, matured or unmatured, accrued or unaccrued, including liabilities evidenced by bonds, debentures, notes, guaranties or other similar instruments, except as evidenced by the Financial Statements delivered hereunder.

(s) Taxes. To Sellers' Knowledge, each Project Owner has always been treated as and taxed as a partnership for federal, state and local income tax purposes. Each Project Owner has filed all federal tax returns and filings heretofore required by Law to be filed by it, and the federal Tax Returns are complete copies thereof. To Sellers' Knowledge, each Project Owner has filed all state, local and foreign income, excise, franchise, real estate, sales and use, business license and other nonfederal tax returns and filings heretofore required by Law to be filed by it, and the nonfederal Tax Returns are complete copies thereof. All taxes, including, without limitation, all federal (if any) state, county, local, foreign or other income, property, sales, use, franchise, value added, employees' income withholding, social security, unemployment and other taxes, of any nature whatsoever owed by each Project Owner, including any interest, fines or penalties with respect thereto, whether disputed or not (individually, a "Tax", and collectively, "Taxes"), have been paid in full or will be paid in full by such Project Owner when due, to the extent due at or prior to Closing or attributable or allocable to periods prior to Closing (assuming, however, that Taxes payable by a Project Owner which may be due in the ordinary course of business but not delinquent (i.e., real estate taxes) will in fact be paid by such Project Owner when due. All Taxes required by Law to be withheld or collected by a Project Owner or in regard to the Project owned by such Project Owner have been duly withheld or collected and, to the extent presently due and payable, have been paid over to the proper federal, state or local authorities. No Liens arising from or in a connection with Taxes have been filed and are currently in effect against any Project Owner or any Project other than for Taxes not yet due and payable. No Project Owner has executed or filed with the Internal Revenue Service ("IRS") or any other Governmental Authority any agreement or document

extending, or having the effect of extending, the period for assessment or collection of any Taxes. No Project Owner is a party to any tax sharing agreement or arrangement. No audits or investigations are active or pending or, to the Knowledge of any Seller, threatened, with respect to any tax returns or Taxes of any Project Owner. No claim has been received by any Project Owner from any authority in any jurisdiction where a Project Owner does not file Tax returns that it is, or may be, subject to taxation by that jurisdiction, and neither Sellers nor any Project Owner have Knowledge of any such claim. There currently is no appeal pending for any prior year's Project Tax assessment with respect to any Project. All Taxes owed by Sellers have been paid in full or will be paid when due. Any internal actions or decisions by any Seller or any entity that is a direct or indirect beneficial owner in any Seller or a lender to Seller or any such beneficial owner in regard to the transactions contemplated hereunder shall have no effect on the Purchasers or taxation relating to the Assets being purchased.

(t) Insurance. The certificates of insurance delivered hereunder prior to the Document Disclosure Date identify all material insurance maintained by each Project Owner and covering the assets, business, equipment, properties and operations, or other matters for the benefit of each Project Owner. All insurance identified in such certificates of insurance are in full force and effect. To Sellers' Knowledge, there is no claim by any Project Owner pending under any of such insurance as to which coverage has been questioned, reserved, denied or disputed by the underwriters of such policies or bonds or their agents; all premium payments due and payable under all such insurance have been paid; to Sellers' Knowledge, each Project Owner is otherwise in compliance with the material terms and conditions of all such insurance; to Sellers' Knowledge, no Project Owner has received notice of any threatened termination of any such insurance; and no Project Owner has received any notices from any insurance companies of any defect or inadequacies in any Project which have not been rectified.

(u) Intangibles. To Seller's Knowledge, use by each Project Owner of the intellectual property comprising a part of the Intangibles does not materially infringe, misappropriate or otherwise violate any intellectual property right of any Seller or any Affiliate of any Seller, or of any third party.

(v) Ownership Interests in Project Owner. The Organizational Chart delivered hereunder prior to the Document Disclosure Date accurately and completely set forth the capital structure of each Project Owner, including the number of partnership and member interests of each which are authorized and which are issued and outstanding. There are no partners of, or owners of other interests in, any Project Owner except as set forth in such Organizational Chart. All of the issued and outstanding partnership and member interests of each Project Owner held by any Seller or an affiliate of any Seller (a) are duly authorized, validly issued, fully paid and nonassessable, and (b) are held of record by the persons and entities and in the amounts set forth in such Organizational Chart. No persons or entities claiming by or through Sellers, or to Sellers' Knowledge any owner other than

Sellers, have an ownership interest of any kind in any Project Owner or any Project except as set forth in such Organizational Chart. There are no outstanding (i) options, warrants or rights to subscribe for or acquire any of the Assets or, to Seller's Knowledge, any partnership or member interests, equity securities or other ownership interests in any Project Owner, or (ii) obligations of any Project Owner to issue or redeem or repurchase any partnership or member interests, equity securities or other ownership interests in any Project Owner. There are no outstanding or authorized equity appreciation, phantom equity, or similar rights with respect to any Project Owner held by any Seller or any affiliate of any Seller. To Sellers' Knowledge, there are no outstanding or authorized equity appreciation, phantom equity, or similar rights with respect to any Project Owner held by any person or entity that is not a Seller or an affiliate of any Seller. No Seller has given notice that it desires to assign, transfer, sell or assign its interest in any Project Owner.

(w) Organizational Documents. To Sellers' Knowledge, the Organizational Documents represent all of the documents and agreements which affect the ownership and governance of each Project Owner. No Seller nor any Project Owner is in material default of its obligations under any of the Organizational Documents, and there do not exist any facts or circumstances that, with the giving of notice or the passage of time, or both would constitute a material default under any of the Organizational Documents. During the time that Sellers have owned the Assets and to Seller's Knowledge prior thereto, all allocations and distributions due any partner or member in each Project Owner have been made in accordance with the terms of the Organizational Documents and Project Agreements, as applicable. Sellers will not permit any such documents to be amended, modified, supplemented, terminated or otherwise changed in any manner except as consented to by Purchasers.

(x) Financial Statements. To Sellers' Knowledge, the Financial Statements and are accurate and complete in all material respects as of the respective dates thereof and for the respective periods covered thereby, have been prepared from and be consistent with the books and records of the applicable entity and have been prepared in accordance with sound accounting practices. To Sellers' Knowledge, each balance sheet included in such financial statements (including the related notes and schedules) fairly presents in all material respects the financial position of the entity to which it relates, as of the date of such balance sheet, and each statement of income and other statements included in such financial statements (including all related notes and schedules) fairly presents in all material respects the results of operations and the other financial matters, as the case may be, of such entity for the periods set forth therein, except to the extent indicated in any notes or schedules provided therewith. During the six (6) month period prior to the Effective Date, no material liabilities or financial obligations have been incurred by any Project Owner other than standard trade payables incurred in the ordinary course of business.

(y) Affiliate Transactions. Except for the Affiliate Agreements, no officer, director, manager, partner, trustee, equity holder or other Affiliate of Seller is or has been in

the past three (3) years a party to any contract, agreement or commitment or transaction with any Project Owner or which pertains to the business of any Project Owner or has any interest in any Project or any other asset or property owned, held or used by any Project Owner. Except for the Affiliate Agreements, there are no services provided to or on behalf of any Project Owner by any Seller or its Affiliates, or to or on behalf of any Seller or its Affiliates by any Project Owner, and there are no affiliate transactions or contracts, agreements or commitments among any Project Owner, on one hand, and Sellers or their Affiliates, on the other hand (including, in each case, the costs charged to or by any Project Owner).

(z) Tax Credit Matters. No Project has ever received any allocation of low-income housing tax credits pursuant to Section 42 of the Code.

(aa) Survival. The representations and warranties of Sellers set forth in this Agreement shall survive Closing for a period ending twelve (12) months following Closing.

With respect to the representations and warranties set forth herein:

i. The terms "Sellers' Knowledge", and to the "Knowledge of Sellers", shall mean and be limited to (1) the actual present knowledge of [Jospeh Brantley], after due inquiry, and (2) anything in writing received by any Project Owner, any Seller, any Affiliate of Seller or anyone on behalf of any Seller who receives or reviews reports or correspondence in regard to a Project Owner or a Project in connection with or since the date of any Sellers' previous acquisition of any direct or indirect interest in any Project Owner or any Project.

ii. Except with respect to the representations and warranties set forth herein, Sellers make no representations or warranties specifically regarding the physical condition of the Project.

**Section 7. Reserved.**

**Section 8. Purchaser's Representations and Warranties.** Each Purchaser, solely with respect to itself, hereby represents and warrants to Sellers as of the Effective Date and as of the Closing Date as follows:

(a) Organization. Each Purchaser is a limited liability company duly formed, validly existing and in good standing under the Laws of the State of Mississippi.

(b) Purchaser's Authority, Etc. Each Purchaser has the full right, power and authority to enter into this Agreement, and to carry out its obligations hereunder, and all requisite action necessary to authorize Purchaser to enter into this Agreement and to carry out its obligations hereunder have been, or by the Closing Date will have been, taken. The person signing this Agreement on behalf of Purchaser is authorized to do so and may bind the Purchaser without the joinder or co-signature of any other person. This Agreement is, and each Ancillary Agreement is or will be

when executed and delivered, the legally valid and binding obligation of Purchaser and any of its affiliates that are parties thereto, enforceable against such parties in accordance with the respective terms of this Agreement and such Ancillary Agreements, except as such enforceability may be limited by the effect of any applicable Laws of general application relating to bankruptcy, reorganization, insolvency, moratorium or similar Laws affecting creditors' rights and relief of debtors generally, and general equitable principles.

(c) Survival. The representations and warranties of Purchaser set forth in this Agreement shall survive Closing for a period ending twelve (12) months following Closing.

**Section 9. OFAC Regulations.** Each Seller and Purchaser (each, a "Party") represents and warrants, as to itself only as follows:

(a) OFAC List. Neither such Party, nor the trustee or owner of any controlling interest in such Party, is listed on the Specially Designated Nationals and Blocked Persons List maintained by the office of Foreign Assets Control, Department of the Treasury ("OFAC") pursuant to the Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) (the "Order") and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to the Order and any other applicable rules, regulations, legislation or orders (such lists are collectively referred to as the "Lists"); and

(b) Notice and Termination Right. Such Party covenants and agrees that if such Party obtains knowledge that it or any trustee or owner of any controlling interest in such Party, becomes listed on the Lists or is indicted, arraigned, or custodially detained on charges involving money laundering or predicate crimes to money laundering, then such Party immediately will notify the other Parties in writing, and in such event, the other Parties will have the right, upon written notice to the notifying Party, to terminate this Agreement without penalty or liability to the notifying Party, in which event neither party will have any further rights or obligations under this Agreement, except those that specifically survive termination.

**Section 10. Certain Covenants.**

(a) Operations Pending Closing. From and after the Effective Date and continuing through Closing, Sellers will cause each Project Owner to operate and maintain the Project owned by such Project Owner in a manner generally consistent with the manner in which the Project Owner has operated and maintained such Project in the ordinary course of business prior to the Effective Date, but in any event materially in accordance with the Project Agreements. Working capital reserves shall be maintained in accordance with historical averages, other reserves shall be maintained in accordance with applicable Project Agreements. Sellers will promptly notify Purchasers of all Project Owner operating and capital deficits (and include in such notice back support for the calculations thereof) and Sellers will

promptly advance funds for such deficits whether or not obligated to do so and will promptly notify Purchaser of any such advance. Such loan receivables shall become part of the Assets being sold and purchased hereunder. Each Seller hereby covenants and agrees that, until the Closing or earlier termination of this Agreement, it will not, and it will not cause or permit any Project Owner (or property management company on behalf of any Project Owner) to:

i. issue any additional interest in such entity, or issue any warrant, option or other right to purchase any interest in such entity or any security convertible into an interest in such entity;

ii. organize any subsidiary, acquire any capital stock or other equity securities of any person or entity, or acquire any equity or other ownership interest in any business;

iii. acquire any new real property or sell, transfer or otherwise convey any property or asset of any Project Owner or otherwise contract to do any of the foregoing (other than as provided under Section 12 of this Agreement);

iv. liquidate any reserve or use any reserve other than for purposes and in accordance with the terms set forth in the Debt Documents and the Organizational Documents, as applicable;

v. distribute any cash or other asset of any Project Owner to any Seller or its Affiliate;

vi. grant any mortgage with respect to any Project;

vii. encumber or pledge or place any lien upon any Project, or any part thereof or interest therein;

viii. incur any additional liabilities that will not be paid in full on or before the Closing other than those liabilities incurred in the ordinary course of business and not remaining outstanding more than thirty (30) days from the date incurred;

ix. transfer, hypothecate or otherwise encumber any interest in any Project Owner or any Asset;

x. enter into or cause any Project Owner to enter into or renew or modify any contract or commitment binding on any Seller or any Project Owner or any of their assets which contract is not terminable upon 30 days or less notice from Purchasers or such Project Owner without penalty of any nature;

xi. initiate, consent to, approve or otherwise take any action with respect to zoning or any other Laws presently applicable to all or any part of any Project; or

xii. collect rent from any tenant more than thirty (30) days in advance of its due date.

(b) New Residential Leases. At any time during the term of this Agreement, a Project Owner may enter into new residential leases or renewals of existing residential leases without the consent or approval of Purchasers, provided that such new residential lease or renewal (i) is made upon the current (meaning during the prior ninety (90) day period) economic terms offered by it to new or renewal residential tenants of the Project, (ii) is made on its standard residential lease form for the Project, (iii) is for a term, including options to renew, not in the aggregate in excess of one (1) year, and (iv) is disclosed via an update in accordance with Section 10(h) below (which update may be in the form of a current Lease Schedule and Rent Roll provided on a monthly basis).

(c) Commercial Leases. From and after the Effective Date and during the term of this Agreement, Sellers will ensure that no Project Owner enters into any commercial leases.

(d) Retention of Personal Property. No Personal Property or other property of any Project Owner will be removed from any Project or from such Project Owner's ownership unless the same is replaced with similar items of at least equal quality prior to the Closing.

(e) Zoning. Neither Sellers nor any Project Owner will initiate, consent to, approve or otherwise take any action with respect to the zoning, or any other Law presently applicable to all or any part of any Project or cause or permit any Project Owner to do any of the foregoing.

(f) No Marketing. During the effectiveness of this Agreement, Sellers will not market any Project or any interest in any Project Owner to third parties, nor enter into any agreement to sell or option any Project or any ownership interest in any Project Owner, or any portion thereof, to any third party, and will not cause or permit any Project Owner to do any of the foregoing.

(g) Insurance. From and after the Effective Date and continuing through Closing, Sellers will cause each Project Owner to maintain, insurance in the amounts and coverages substantially equivalent to that existing as of the Effective Date, but otherwise in compliance with the Debt Documents and the Organizational Documents.

(h) Updates. After the Document Disclosure Date, and upon written request, Sellers shall as promptly as reasonably possible update the disclosures required by Section

4 hereof so that Sellers remain in compliance with such Section 4 on a current basis. Further, if, prior to Closing, Sellers become aware of facts or circumstances which would cause a representation or warranty of Sellers under this Agreement to no longer be true as of the Effective Date or in regard to any date thereafter or would require such representation or warranty to be qualified as of the Effective Date or in regard to any date thereafter, Sellers shall promptly provide written notice thereof to Purchasers. Each such update (an "Update") shall be sent directly by email to the Purchasers and its counsel. In the event an Update is provided by Sellers to Purchasers in accordance with the foregoing, and the Update is material and adverse to Purchasers, any Project Owner or any Project, then Purchasers shall give written notice of such adverse fact or circumstance to Sellers and unless Sellers, within five (5) days of such notice from Purchasers, notify Purchasers that Sellers will cure the same prior to Closing, Purchaser shall have the option of either (i) continuing to Closing, or (ii) terminating this Agreement within five (5) days of the end of such five (5) day period and upon notice from Purchasers to Escrow Agent and Sellers, and thereafter neither Sellers nor Purchaser will have any further obligations hereunder, except those that specifically survive termination as provided herein.

**Section 11. Transaction Approvals.** As a condition precedent to each party's obligation to close the transactions contemplated hereby with respect to each Asset, all required third party consents, approvals and authorizations shall be obtained in form and substance reasonably acceptable to Sellers and Purchasers, including, without limitation, any consents, approvals and authorizations from United States Department of Agriculture – Rural Development ("USDA-RD"), and any consents, approvals and authorizations from the State Housing Finance Agency (collectively the "Transaction Approvals"). For the avoidance of doubt, "Transaction Approvals" shall expressly include all consents, approvals and authorizations required for (i) all rental assistance agreement to remain in full force and effect with respect to the Projects, on terms and conditions satisfactory to Purchasers, and (ii) Projects Purchasers' Management Agent to undertake the management of the Project and be the "agent of record" for USDA-RD. Purchasers will use commercially reasonable efforts to pursue the Transaction Approvals and shall use commercially reasonable efforts to submit all required approval packages to USDA-RD within thirty (30) days following the Document Disclosure Date. If requested by Sellers, Purchasers shall provide Sellers with copies of all submission packages submitted to each third-party within three (3) Business Days following Purchasers submission thereof. Sellers will use commercially reasonable efforts and cooperate in good faith with Purchasers in obtaining the Transaction Approvals and shall promptly (i) deliver or prepare any requisite information, documentation or reports reasonably requested by Purchaser or any other party in connection therewith, and (ii) execute any forms, applications or other documents reasonably necessary and appropriate for receipt of the Transaction Approvals, at no additional cost to Sellers. Sellers will not take any action to delay or frustrate Purchasers from pursuing or obtaining the Transaction Approvals. In the event that Purchaser is unable to obtain the Transaction Approvals (including a denial of any Transaction Approval by the party providing such Transaction Approval), then Purchasers shall have the right to terminate this Agreement by delivering a Termination Notice to Sellers and to Escrow Agent, whereupon the Escrow Agent shall promptly return the Earnest Money Deposit, less the Independent Consideration, to Purchasers, and upon Purchasers' receipt thereof, this

Agreement shall terminate and neither Sellers nor Purchasers will have any further obligations hereunder, except those that expressly survive termination as provided herein.

**Section 12. Indemnification Matters; Survival.**

(a) Indemnification by General Partner. Joseph M. Brantley, III, in his capacity as a general partner of the Project Owner, will indemnify, defend, and hold harmless, each Purchaser, and each of their respective affiliates, officers, managers, partners, investors, directors, owners, members, shareholders and successors and assigns (individually a "Purchaser Indemnitee" and collectively, "Purchaser Indemnitees") from and against all claims, demands, liabilities, losses, damages, obligations to third parties, diminution or loss of value, judgments, awards, settlements, deficiencies, costs and expenses, including reasonable attorneys' fees and disbursements, penalties, fines and amounts actually paid or incurred ("Losses"), that may be asserted against, suffered or incurred (directly or as a result of any claim or allegation by any third party) by any of the Purchaser Indemnitees to the extent arising from or in connection with or with respect to:

i. The failure of any Seller, in its capacity as a general partner or limited partner of a Project Owner, to comply with all compliance requirements of United States Department of Agriculture – Rural Development, including, without limitation, those pursuant to Section 515 of the National Housing Act of 1949;

ii. A claim or action against any Project Owner or any Purchaser Indemnitee, as a result of matters relating to or arising during Sellers' tenure as a general partner or limited partner of any Project Owner; or

iii. The failure of any Seller, or any Project Owner, to comply with the Debt Documents, Regulatory Agreements, or Organizational Documents applicable to such Project Owner or the Project owned by such Project Owner.

(b) Indemnification by Purchasers. Purchasers will indemnify, defend, and hold harmless each Seller and each of their respective affiliates, officers, managers, partners, investors, directors, owners, members, shareholders, and successors and assigns (individually, a "Seller Indemnitee," and collectively, the "Seller Indemnitees") from and against all Losses, to the extent arising from or in connection with:

i. any breach by Purchaser of this Agreement or of any certificate or document delivered by Purchaser at Closing;

ii. the failure of Purchasers, or of any Project Owner following Closing, to comply with any United States Department of Agriculture–Rural Development requirements (including those under Section 515 of the Housing Act of 1949), any Debt Documents, Regulatory Agreements, or Organizational Documents applicable to the Project or the Project Owner;

iii. any claim or action against any Seller Indemnitee relating to acts or omissions occurring on or after the Closing in connection with the ownership, operation, management, or maintenance of any Project or such Project Owner.

(c) Survival. The obligations set forth in this Section shall survive the Closing without limitation as to the time within which a claim may be brought (other than any applicable statute of limitations), and shall not be subject to any limitation on any liability as otherwise set forth in this Agreement.

**Section 13. Closing.**

(a) Sellers' Conditions. The obligation of Sellers to consummate the Transactions is and will be subject to the fulfillment on or before Closing of all of the following conditions effective as of January 1, 2026, any or all of which may be waived by Sellers in their sole discretion:

i. Purchasers will have delivered to Escrow Agent all of the items required to be delivered by Purchaser pursuant to the terms of this Agreement;

ii. All representations and warranties of Purchasers contained in this Agreement will be true and correct in all material respects as of the Effective Date and the Closing Date and Purchasers shall have delivered to Sellers a certification to that effect in form and substance reasonably acceptable to Sellers;

iii. Purchasers will have performed and observed all covenants and agreements of this Agreement to be performed and observed by Purchasers as of the Closing Date in all material respects;

iv. Purchasers will have delivered such Assignments and Assumptions reflecting the transactions contemplated hereby and the documents pertaining to each Asset (the "Assignment and Assumption Agreements");

v. Purchasers will have delivered such amendments to Organizational Documents reflecting the transactions contemplated hereby and the documents pertaining to each Asset (the "Amendments");

vi. Purchasers shall deliver the Purchase Price, less the sum of One Hundred and No/100 Dollars ($100.00) (the "Retained Purchase Price"), and net of any credits provided for herein, which credits shall be applied to the Purchase Price; and

vii. All Transaction Approvals shall have been obtained.

Purchasers will in good faith take all commercially reasonable actions to cause the conditions set forth above to be met on a timely basis. If any of such conditions is not satisfied on and as of the Closing Date and are not waived in writing by Sellers, then Sellers shall have the right to terminate this Agreement, unless such conditions are not met due to the Sellers' breach or default hereunder. If Sellers terminate this Agreement, thereafter neither Sellers, nor Purchasers will have any further

obligations hereunder except those that expressly survive termination as provided herein. If Sellers do not terminate this Agreement as a result of the failure of a condition to Closing and the Closing in fact occurs, Sellers will be deemed to have waived all unsatisfied conditions to Closing, other than claims arising due to breach of a covenant or a breach of a certification, representation or warranty.

(b) Purchasers Conditions. The obligation of Purchasers to consummate the Transactions is and will be subject to the fulfillment on or before the date of Closing of all of the following conditions, any or all of which may be waived by Purchasers in its sole discretion:

i. Sellers will have delivered to Escrow Agent all of the items required to be delivered by Sellers pursuant to the terms of this Agreement, including, without limitation:

(A) copies of resolutions of Sellers authorizing the execution and delivery of this Agreement and the Closing documents to which it is a party and the consummation of the transactions contemplated hereby;

(B) the Assignment and Assumption Agreements;

(C) the Amendments;

(D) such Assignments of loans, receivables, fees and other rights and the documents pertaining to each Asset (the "Assignment");

(E) such affidavit(s) and/or certification(s) as reasonably and customarily would be required to induce a title company to issue updated Title Policies;

(F) a certification complying with provisions of Treasury Regulation §1.1445-2(b)(2) stating that such Seller is not a foreign person;

(G) a certificate dated as of the Closing Date and executed by each Seller stating that the representations, warranties and certifications of such Seller in this Agreement, were and are true and correct in all material respects on the Effective Date and on and as of Closing;

(H) a current good standing certificate from the Secretary of State for such Seller's state of formation dated no earlier than thirty (30) days before Closing;

(I) to the extent in the possession or control of Sellers or their Affiliates, each Project Owner's original records and files not previously provided to Purchaser, including, without limitation, its Tax Returns

and all tenant files and all keys, key cards and the like, which may be delivered to Purchasers at the applicable Projects or such other reasonable locations identified by Purchasers;

(J) an updated Lease Schedule and Rent Roll for all Leases (including a list of delinquent and prepaid rents), certified by Sellers as true and correct in all material respects;

(K) all applicable transfer tax returns associated with the sale of the Assets;

(L) any other documents, instruments or agreements reasonably necessary to effectuate the transactions contemplated by this Agreement and reasonably requested by Purchasers or its representatives, including, without limitation, all documents required to evidence or in connection with the Transaction Approvals and documents necessary to change bank accounts and signatories and to change notice sections in Project Agreements;

ii. Each Seller will have performed and observed (or caused to be performed and observed), all covenants and agreements of this Agreement required to be performed and observed, or required to be caused to be performed and observed, by such Seller as of the Closing in all material respects;

iii. A national title company shall have issued updates to the Title Policies to the extent required by Purchasers;

iv. All representations and warranties of the Sellers contained in this Agreement (and the substantive facts contained in any such representations and warranties limited to Knowledge) will be true and correct in all material respects as of the Effective Date and the Closing Date;

v. There will not be any material default under the Project Agreements nor will there exist facts or circumstances that, with the giving of notice or the passage of time or both, would constitute such a material default under such documents; and

vi. All Transaction Approvals shall have been obtained.

Sellers will in good faith take all commercially reasonable actions to cause the conditions set forth above to be met on a timely basis. If any of such conditions is not satisfied on and as of the Closing Date and are not waived by Purchasers in writing, then Purchasers shall have the right to terminate this Agreement, unless such condition is not met due to Purchasers' breach or default hereunder or under any Ancillary Agreement. If Purchasers terminate this Agreement, thereafter neither Sellers nor Purchasers will have any further obligations hereunder, except

those that expressly survive termination as provided herein. If Purchasers do not terminate this Agreement as a result of the failure of a condition to Closing and the Closing in fact occurs, Purchasers will be deemed to have waived all unsatisfied conditions to Closing, other than (i) claims arising due to breach of a covenant or a breach of a certification, representation or warranty (and any post-Closing claims by Purchasers against Sellers for a breach of a covenant or a breach of a certification, representation or warranty shall be subject to the other limitations and restrictions as set forth herein), and (ii) the requirement to provide the documents and deliverables set forth in Section 13(b)(i) above, and in any event such waiver shall not affect claims against Sellers hereunder.

(c) Time and Place. The consummation of the transaction contemplated hereby ("Closing") will be held via overnight delivery service, internet e-mail, and the use of electronic transfer of funds, with Escrow Agent acting as closing agent, on the date that is the later of (i) forty-five (45) days following the Due Diligence Termination Date, and (ii) forty-five (45) days following the date upon which all Approvals have been obtained (the "Closing Date"). Notwithstanding the foregoing, if all required Transaction Approvals have not been obtained by the Closing Date, then Purchasers shall have the right shall have the right to extend the Closing Date for two (2) separate additional periods of thirty (30) days each upon (i) delivering to Escrow Agent and Seller written notice of Purchasers' election to extend the Closing Date, and (ii) delivering to Escrow Agent the additional amount of Ten Thousand and No/100 Dollars ($10,000.00) for each such extension (each, an "Extension Fee"). Each Extension Fee shall be applied to the Purchase Price at Closing. At Closing, Sellers and Purchasers must perform their respective obligations set forth in this Section 13 and elsewhere in this Agreement (to the extent not previously performed), and the performance by each of them will be a concurrent condition of the performance of the obligations of the other.

(d) All or Nothing Transaction. Sellers and Purchaser agree that the transaction contemplated hereunder is an "all or nothing" transaction, and that if the conditions to closing related to any one or more Assets or the Projects are not satisfied, and such condition is not waived by the party entitled thereto, then such party shall not be obligated to close on the sale of any of the other Assets.

(e) Retention of 1% Limited Partner Interest. Notwithstanding anything in this Agreement to the contrary, the Sellers and Purchasers acknowledge and agree that Fort Mill Associates shall retain a one percent (1%) limited partner interest in Project Owner (collectively, the "Retained Ownership Interests") on the Closing date and for a period of one (1) year following the Closing date (the "Seller Retention Period"). On the day following the Seller Retention Period, the applicable Seller shall convey the Retained Ownership Interests to Mustang Limited Partners LLC, in consideration for the payment of Retained Purchase Price, subject to and in accordance with the terms of this Agreement.

(f) Closing and Transaction Expenses.

i. Sellers will be responsible for the cost of (1) all state and local transfer taxes and fees associated with the sale of the Assets as provided herein, if any, (2) 100% of all fees and costs associated with any other consent or approval from any Affiliate of Seller or owner or other direct or indirect participant in any Seller or direct or indirect lender to any such participant or Seller ("Sellers' Internal Approvals"), and (3) the brokerage commission due to Sellers' Broker.

ii. Purchaser will be responsible for the cost of (1) Purchaser's evaluation of the feasibility of the transactions contemplated under this Agreement, including Purchaser's due diligence investigations of the Projects, the Project Owners, and the Sellers, (2) 100% of all fees and costs associated with obtaining any Transaction Approval, and (3) 100% of all fees and costs associated with obtaining any consent or approval from any affiliate of Purchasers.

iii. Sellers and Purchasers each will pay the costs of their own attorneys' fees, and will also equally bear the escrow and closing fees of Escrow Agent, if any.

(g) Closing Statement. At Closing, in addition to any other documents required to be executed and delivered in counterparts by the parties, each Seller and Purchaser will execute and deliver to each other a closing statement accounting for all sums paid, created, adjusted or disbursed at Closing.

(h) Effect of Closing. After Closing, except for the Retained Ownership Interests, Sellers and their affiliates will have no further direct or indirect claim, right or interest in the Project, the Project Owner or in any asset of the Project Owner.

**Section 14. Default.**

(a) Seller's Remedies. Upon a breach of this Agreement by any Purchaser, after the expiration of any applicable cure periods, Sellers shall be entitled, as its sole and exclusive remedy, to terminate this Agreement by written notice thereof given to Escrow Agent and Purchasers and to receive and retain the Earnest Money Deposit.

(b) Purchaser's Remedies. Upon a breach of this Agreement by any Seller, after the expiration of any applicable cure periods, Purchasers shall be entitled, as its sole and exclusive remedy, to either: (i) terminate this Agreement by written notice thereof given to Escrow Agent and Sellers and to receive the return of the Earnest Money Deposit and recover any and all of Purchasers' out of pocket costs incurred in connection with the transactions contemplated herein, or (ii) to pursue all rights and remedies available to Purchasers at law or in equity, including without limitation, a right to pursue specific performance and a right to pursue special, indirect, incidental, punitive, consequential or exemplary damages.

(c) Consequential or Punitive Damages. Except as otherwise set forth in Section 14(b) above, no party shall be liable to another for any special, indirect, incidental, punitive, consequential or exemplary damages under this Agreement.

(d) Notice and Cure. Neither the Purchasers, nor the Sellers will be deemed to be in default hereunder until and unless such party has been given written notice by the other party of its failure to comply with the terms hereof and thereafter does not cure such failure within five (5) Business Days after receipt of such notice. The Closing Date will be automatically extended, if necessary, to provide such five (5) Business Day cure period.

(e) Survival. All claims in regard to defaults hereunder and the duties of the Escrow Agent shall survive the termination of this Agreement, subject to the limitations set forth in Section 13 of this Agreement.

**Section 15. Risk of Loss.**

(a) Minor Damage. In the event of loss or damage to any Project or any portion thereof prior to Closing which is not "major" (as hereinafter defined), this Agreement will remain in full force and effect, provided Sellers assign to Purchasers all of Sellers' and any Project Owner's right, title and interest to any claims and proceeds Sellers or any Project Owner may have with respect to any casualty insurance policies or condemnation awards relating to such Project.

(b) Major Damage. In the event of a "major" loss or damage to any Project prior to Closing, Purchasers may terminate this Agreement by written notice to Sellers, in which event this Agreement shall terminate and neither party will have any further obligations hereunder, except to the extent any such obligations expressly survive termination as provided herein. If Purchasers do not elect to terminate this Agreement within ten (10) Business Days after Sellers send Purchasers written notice of the occurrence of major loss or damage, then Purchasers will be deemed to have elected to proceed with Closing, in which event Sellers will assign to Purchasers all of Sellers' right, title and interest to any claims and proceeds Sellers or any Project Owner may have with respect to any casualty insurance policies or condemnation awards relating to such Project.

(c) Definition of "Major" Loss or Damage. For purposes hereof, "major" loss or damage refers to the following: (i) loss or damage to any Project or any portion thereof such that the cost of repairing or restoring the portion of such Project in question to a condition substantially similar to that of such Project prior to the event of damage would be, in the opinion of an architect or general contractor selected by Purchasers, equal to or greater than $50,000.00, and (ii) any loss due to a condemnation, Sellers will not settle or adjust, nor allow any Project Owner to settle or adjust, any insurance or condemnation claim without the consent of Purchasers, which consent will not be unreasonably withheld.

**Section 16.** **Escrow Agent.** Escrow Agent has agreed to act as escrow agent for the convenience of the parties. The Escrow Agent will not be liable: (i) to any of the parties for any act or omission to act except for its own gross negligence, bad faith or willful misconduct; (ii) for any legal effect, insufficiency, or undesirability of any instrument deposited with or delivered by the Escrow Agent or exchanged by the parties hereunder, whether or not Escrow Agent prepared such instrument (except for any Title Commitment and updated Title Policies); (iii) for any loss or impairment of funds that have been deposited in escrow while those funds are in the course of collection, or while those funds are on deposit in a financial institution, if such loss or impairment results from the failure, insolvency or suspension of a financial institution, unless the Escrow Agent fails to move such funds to another financial institution in accordance with joint written instructions from Sellers and Purchasers to the Escrow Agent; (iv) for the expiration of any time limit or other consequence of delay, unless a properly executed written instruction has instructed the Escrow Agent to comply with such time limit; or (v) for the default, error, action or omission of any Seller or any Purchaser to Escrow Agent. Escrow Agent will be entitled to rely, in good faith, on any document or paper received by it, believed by the Escrow Agent, in good faith, to be bona fide and genuine. Escrow Agent shall not be bound in any way by this Agreement or any other agreement between the parties hereto, whether or not it has knowledge thereof, and Escrow Agent's only duties and responsibilities shall be to hold and to dispose of any sums or documents delivered to it in accordance with the terms of this Agreement. The parties hereby agree to indemnify and hold Escrow Agent harmless against any and all losses, claims, damages, liabilities and expenses, including reasonable attorneys' fees, which may be incurred by Escrow Agent in connection with its serving as Escrow Agent hereunder, other than those arising through Escrow Agent's gross negligence or willful misconduct. If there a dispute between the parties regarding the delivery of any sums or documents delivered to Escrow Agent hereunder, or Escrow Agent is unsure of its obligations under this Agreement, Escrow Agent may continue to hold all sums or documents delivered to it hereunder in escrow until receipt of joint instructions from the parties or a certified copy of a final, non-appealable judgment of a court of competent jurisdiction; or Escrow Agent may deposit any such sums or documents with a court selected by Escrow Agent and in such event all liability and responsibility of Escrow Agent shall terminate upon such deposit having been made.

**Section 17.** **Tax Matters.**

(a) Preparation of Tax Returns; Cooperation. Purchasers will be responsible for the timely filing of all Tax returns for the year of Closing (the "Closing Year Tax Returns"). Sellers will cooperate fully, as and to the extent reasonably requested by Purchasers, with the filing of the Closing Year Tax Returns. Sellers will have, upon written request to Purchasers, the right to review drafts of the Closing Year Tax Returns prior to Purchasers filing the Closing Year Tax Returns.

(b) Tax Audits and Contests; Cooperation.

i. After the Closing Date, Purchasers will control the conduct, through counsel of its own choosing, of any audit, claim for refund, or administrative or judicial proceeding involving any asserted Tax liability or refund involving

each Project Owner and/or its partners or any Asset (any such audit, claim for refund, or proceeding relating to an asserted Tax liability referred to herein as a "Contest"); provided that, notwithstanding any other provision in this Agreement to the contrary, if such Contest involves any asserted Tax liability or refund involving any Tax year or portion thereof that is on or before the Closing Date, and would, or it is reasonably foreseeable that it could, result in liability to Sellers, then Purchasers will not settle, compromise, or concede the Contest without the prior written approval of Sellers, which approval shall not be unreasonably denied, conditioned or delayed.

ii. Purchasers and Sellers agree to furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information (including access to books and records) and assistance relating to any Project Owner as is reasonably requested for the filing of any Tax returns and the preparation, prosecution, defense or conduct of any Contest. Purchasers and Sellers will reasonably cooperate with each other in the conduct of any Contest or other proceeding involving or otherwise relating to any Tax and each will execute and deliver such powers of attorney and other documents as are necessary to carry out the intent of this Section 17.

iii. At Closing or as soon as reasonably practicable thereafter, Sellers will transfer to Purchasers (to the extent in Sellers' possession or control) the Tax and accounting records of each Project Owner that relate to taxable years or periods ending on or before the Closing Date. At the request of Sellers, any information obtained under this Section 18 will be kept confidential, except as may be otherwise necessary in connection with the filing of Tax returns or in the conduct of a Contest or other Tax proceeding.

(c) Amended Returns and Retroactive Elections. Without the prior written consent of Sellers, Purchasers will not, and will not cause or permit any Project Owner, to (i) amend any Tax returns filed with respect to any Tax year ending on or before the Closing Date or (ii) make any Tax election that has retroactive effect to any such year without the prior written consent of Sellers, which consent shall not be unreasonably denied, conditioned or delayed.

**Section 18. Adjustments.** There shall be no prorations of rent, utilities, taxes, or other expenses or income related to any Project or any Project Owner or any other adjustments to the Purchase Price whatsoever. Any reserves that may be required by any lender, credit agency or under the Organizational Documents of each Project Owner, any prepaid insurance or other prepaid amounts, deposits (such as utility deposits), and other similar reserves or deposits or other amounts shall remain with such Project. Without limiting the foregoing, Sellers confirm that Purchasers shall be entitled to all net cash flow, including all "returns to owner" (or similar term relating to operational cash flow as defined in the applicable Organizational Documents) whether generated before or after Closing.

**Section 19. Miscellaneous.**

(a) Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns. This Agreement is not assignable by Purchasers without the express written consent of Sellers; provided that Purchasers may assign its rights to buy any Asset hereunder to a limited liability company controlled by any Purchaser or one or more of its principals, in which case such assignee will have all the rights and obligations of Purchasers hereunder with respect to the particular Asset, and provided (i) such assignment is not in violation of or inconsistent with any Transaction Approval, and (ii) such assignment does not relieve Purchasers of its obligations as provided herein. This Agreement is not assignable by any of the Sellers without the express written consent of Purchasers, which consent may be withheld in its sole and exclusive discretion.

(b) Governing Law; Venue. This Agreement will be governed by and construed in accordance with the domestic Laws of the State of South Carolina, without reference to any conflict of law provisions. Jurisdiction and venue will lie exclusively in and with the federal and state courts located in South Carolina.

(c) Further Assurances. Each party agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively the purposes or subject matter of this Agreement. Without limiting the foregoing, Sellers agree to reasonably cooperate with Purchasers and each Project Owner, and provide such additional information and the Purchasers and each Project Owner may reasonably request, in connection with transitioning control of each Project Owner, and their operations, to Purchasers.

(d) Attorneys' Fees. In the event of litigation between or among any Purchaser and any Seller concerning this Agreement or any documents related thereto, the prevailing party will be entitled to recover from the non-prevailing party its reasonable attorneys' and paralegals' fees and costs incurred in litigation, whether pre-trial, at trial or on appeal.

(e) Brokerage Commissions. Purchasers represents and warrants to Sellers that no brokerage, real estate or investment banking commission is payable to any person or entity in connection with the transaction contemplated herein claiming by, through, or under Purchasers. Sellers represent and warrant to Purchasers that no brokerage, real estate or investment banking commission is payable to any person or entity in connection with the transaction contemplated herein claiming by, through, or under Sellers. Except for the commission due to Sellers' Broker by Sellers, each party will indemnify, defend and hold the other party harmless from and against the payment of any commission to any person or entity claiming, or alleging to claim, by, through or under the indemnifying party.

(f) Notice. Any notice pursuant to this Agreement must be given in writing by (i) by hand personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, or (d) email, sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee will have designated by written notice sent in accordance herewith, and will be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of email transmission, as of the date of the email transmission (or next Business Day if transmitted on a day other than a Business Day) provided that a copy of any email transmission is also sent to the intended addressee by one of the means described in clauses (a), (b), or (c) above. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement will be as follows:

| | |
|---|---|
| If to any Purchaser: | 1437 Old Square Road, Suite 201<br>Jackson, MS 39211<br>Attn: Trey Ivison<br>Email: trey.ivison@southernmg.net |
| with a copy to: | Watkins & Eager PLLC<br>400 East Capitol Street<br>Jackson, MS 39201<br>Attn: Jason L. Poulson<br>Email: jpoulson@watkinseager.com |
| If to any Seller: | c/o Joseph M. Brantley, III<br>7 New Bern Square<br>Greensboro, NC 27408<br>Email: jbrantley@carlislerp.com |

(g) Modifications. This Agreement cannot be changed orally, and no executory agreement will be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

(h) Entire Agreement. This Agreement, including the Exhibits and other attachments contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter.

(i) Counterparts; Electronic Signatures. This Agreement may be executed in identical counterparts, and all such executed counterparts will constitute the same agreement. It will be necessary to account for only one such counterpart in proving this

Agreement. Signatures to this Agreement transmitted by telecopy, facsimile or electronic mail will be valid and effective to bind the party so signing. Each party agrees to promptly deliver any execution original to this Agreement with its actual signature to the other party, but a failure to do so will not affect the enforceability of this Agreement, it being expressly agreed that each party to this Agreement will be bound by its own signature sent by telecopy, facsimile or electronic mail and will accept the signature of the other party so transmitted.

(j) Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement will nonetheless remain in full force and effect.

(k) Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection hereof.

(l) Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement.

(m) Time of the Essence. Time is of the essence in this Agreement.

(n) No Third Party Beneficiary. The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of the parties hereto only and are not for the benefit of any third party, and accordingly, no third party will have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered at Closing.

(o) Business Day. The phrase "Business Day" will mean any day that is not a Saturday, Sunday or day that the New York Stock Exchange is closed.

(p) JURY WAIVER. IN ANY LAWSUIT OR OTHER PROCEEDING INITIATED BY SELLERS OR PURCHASERS, OR ANY ONE OR MORE OF THEM, UNDER OR WITH RESPECT TO OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREIN, SELLERS AND PURCHASERS EACH WAIVE ANY RIGHT ANY OF THEM MAY HAVE TO TRIAL BY JURY. THIS WAIVER IS MADE BY SELLERS AND PURCHASERS KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, AND IS SUBJECT TO NO EXCEPTIONS.

**[Signature Pages Follow]**

**IN WITNESS WHEREOF**, Sellers have caused this Agreement to be duly executed and delivered, effective as of the Effective Date

**SELLERS:**

Joseph M. Brantley, III

Joseph M. Brantley, III

William G. McNairy

William G. McNairy,
by Joseph M. Brantley, III, Attorney-in-Fact

John O. McNairy

John O. McNairy,
by Joseph M. Brantley, III, Attorney-in-Fact

Fort Mill Associates

By: Joseph M. Brantley, III

Joseph M. Brantley, III, Authorized Party

**IN WITNESS WHEREOF**, Purchasers have caused this Agreement to be duly executed and delivered, effective as of the Effective Date

**PURCHASERS:**

MUSTANG GP HOLDINGS, LLC,
a Mississippi limited liability company

By: _____
Name: Herbert B. Ivison, III
Title: Manager

MUSTANG LIMITED PARTNERS LLC,
a Mississippi limited liability company

By: _____
Name: Herbert B. Ivison, III
Title: Manager

**ESCROW AGENT JOINDER**

By its execution below, Escrow Agent acknowledges its receipt of a copy of this Agreement, and agrees to hold and disburse the Purchase Price, and all other sums or documents to be escrowed with Escrow Agent, in accordance with the terms and conditions of this Agreement, and otherwise agrees to the terms of this Agreement that expressly are applicable to Escrow Agent's duties and responsibilities hereunder.

WATKINS & EAGER PLLC

By: _____
Name: Jason L. Poulson
Title: Member

**Exhibit A**

**Assets**

| Project Name | Project Owner | Seller | Asset |
|---|---|---|---|
| Knollwood Apartments | Knollwood Apartments, A Limited Partnership | Joseph M. Brantley, III | 1.666% general partner interest |
| | | William G. McNairy | 1.666% general partner interest |
| | | John O. McNairy | 1.666% general partner interest |
| | | Fort Mill Associates | 95.0% limited partner interest |

**Exhibit A-1**

**Purchase Price Allocation**

| Project Name | Purchase Price for GP Interests | Purchase Price for LP Interests |
|---|---|---|
| Knollwood Apartments | | |

**Exhibit B**

**Diligence Documents**

(a) Organizational Documents. All partnership agreements, operating agreements, certificates of limited partnership, articles of organization, and all other organizational, governance and constitutive documents of or relating to the Project Owner, and all amendments and supplements thereto and any waivers thereof or consents thereunder in effect as of the Effective Date, including, without limitation, any agreement between any of the direct holders of equity in the Project Owner regarding the governance of or investment in the Project Owner (the "Organizational Documents").

(b) Debt Documents. All agreements and documentation required by any lender to the Project Owner and which have not been terminated in their entirety as of the Effective Date ( the "Debt Documents") together with a schedule of all outstanding debt and financing arrangements of the Project Owner (including, without limitation, guaranties, bonding and surety arrangements and letters of credit) as of the Effective Date, copies of outstanding agreements and other documents relating to such debt or the collateral for such debt (including, without limitation, copies of all bond documents and copies of all reports provided to lenders, debt holders or other debt financing sources in the last twelve months such as arbitrage rebate reports);

(c) Guarantees and Warranties. To the extent within the Seller's or their Affiliates possession or control, all guarantees, warranties, and indemnities in favor of the Project Owner existing as of the Effective Date (the "Guarantees").

(d) Regulatory Agreements. All regulatory agreements by the Project Owner in favor of any Governmental Authority and which purport to run with any portion of the Project, including without limitation extended use agreements and land use restriction agreements (the "Regulatory Agreements").

(e) Financial Statements. (1) Audited financial statements (including a balance sheet and income statement, and to the extent available, statements of cash flow and partners' equity) for the Project Owner for the most recent three (3) calendar years, (2) detailed operating statements for each Project Owner for the most recent three (3) calendar years, and (3) year to date detailed property management financial packages for the Project Owner (altogether (1), (2) and (3) above the "Financial Statements");

(f) Budgets. Detailed actual vs. budget comparisons for all current year operating budgets and capital budgets for the Project;

(g) Affiliate Transactions. For the Project Owner, a description of any and all "Affiliate" (related party) transactions and arrangements of the Project Owner (including between the Project Owner and its equity holders, officers, directors, general partners, managers, and the Sellers, etc.), including management fee arrangements, accrued fees and loans or advances to any Affiliate or related party, and copies of any written agreements evidencing the same as of the Effective Date (the "Affiliate Agreements");

(h) Tax Returns. All federal, state and any other tax returns (and amendments thereto) and reports for the Project Owner for the prior three (3) fiscal years, together with any documents relating to any tax elections or to any tax audits or disputes, either federal or state, at any time (the "Tax Returns");

(i) Lender/RD Notices. Copies of all lender Project inspection reports, replacement reserve withdrawal requests (but not including receipts and other back up unless specifically requested by the Purchasers) and any notices from lenders and or USDA-RD and responses thereto for the prior three (3) years;

(j) Surveys. The most recent survey of the Project, if any;

(k) Title Policies. The most current existing owner and loan title insurance covering the Project (the "Title Policies");

(l) Lease Schedule and Rent Roll. A lease schedule (the "Lease Schedule") describing any and all lease, occupancy or other agreements for the use of space in each Project for residential or commercial purposes in effect as of the month end prior to the Effective Date (the "Leases") and the most current rent roll (the "Rent Roll") for each Project (redacted, however, to remove any confidential personal information for residential tenants such as social security numbers);

(m) Project Contracts. All service contracts, vendor contracts, property management contracts, ground leases, laundry contracts, elevator, pest control, security contracts and other contracts, agreements or commitments of the Project Owners or the property management company in regard to the use or operation of the Projects, including all amendments thereto in effect as of the Effective Date (the "Project Contracts");

(n) Physical Needs and Inspection Reports. All engineering and physical inspection reports and needs assessment reports (including without limitation, those generated by any state agency or agent thereof or the fire marshal or pest control operators), in possession or control of the Sellers (or their Affiliates) or the Project Owner;

(o) Environmental Reports. All environmental reports by third-party consultants pertaining to the environmental condition of any portion of any Project, including, without limitation, lead in water tests, asbestos tests, and lead paint tests, to the extent within Sellers (or their Affiliates') possession or control (the "Environmental Reports");

(p) Capital Expenditure History. A three (3) year history of all capital expenditures for each Project costing in one or a series of related transactions in excess of $10,000;

(q) Payroll/Staffing Cost Breakdown. If applicable, a payroll/staff cost and overhead breakdown for each Project and all leasing commission and other incentive agreements;

(r) As Built Plans. As built plans and specifications for the Project, to the extent in the possession of Sellers or their Affiliates;

(s) Personal Property. An inventory list of all physical personal property owned or leased by the Project Owner or otherwise used in the business of the Project Owner as of the Effective Date, including without limitation appliances in units and common areas (the "Personal Property");

(t) Permits and Approvals. All or any certificates of occupancy and completion with respect to the Projects and all other consents, notices of completion, environmental and utility permits and approvals, authorizations, variances, waivers, licenses, certificates and approvals in effect as of the Effective Date from any (i) government, (ii) governmental, quasi-governmental or public authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal), or (iii) body entitled to exercise any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature, including any arbitration tribunal (together, a "Governmental Authority") issued or granted with respect to any Project;

(u) Insurance Policies. Certificates of insurance which include a list and description of all project, casualty, liability and other insurance policies either (a) in effect as of the Effective Date or (b) not in effect as of the Effective Date, but under which a claim has been made or will be made (the "Insurance Policies"), including policy limits or amounts of coverage, deductibles or self-insured retentions and premiums; history of insured claims including paid, reserved, and related expense amounts (first dollar loss run) for the Project for the last 12 months; description of any loss history for the Project for the last 12 months; and a list all outstanding claims and settlements under any insurance policies or bonds that have arisen during the last three (3) years.

(v) Aged Payable List. A list of aged payables for each Project Owner;

(w) Bank Statements. Bank statements for the Project Owner (including those held or controlled by the property management company) for the month ending May 30, 2025;

(x) Claims and Litigation. A list and description of all threatened and actual claims made against any Project Owner or Seller and a list and description of all active litigation involving any Project Owner and existing as of the Effective Date;

(y) Incident Reports. Copies of all incident reports for each Project for the prior three (3) years;

(z) Violations and Breaches. To the extent not cured (i.e. to the satisfaction of the person, entity or authority having recourse and where no further remedy or obligation exists or may exist with notice or the passage of time), a description of (i) to the Knowledge of Seller any and all violations or potential or alleged violations of federal, state, local, municipal or foreign statute, law, ordinance, regulation, rule, code, order, principle of common law, or judgment enacted, promulgated, issued, enforced or entered by any governmental authority, or other requirement or rule of law (collectively, "Laws") at any time prior to the Effective Date and (ii) to the Knowledge of Seller any and all actual or alleged breaches or defaults under any agreement to which any Project Owner or Seller, or any of their assets is bound, to the extent within Sellers' or

their Affiliates' possession or control, and in regard to (i) and (ii) above, copies of all notices or documents thereof or relating thereto;

(aa) Utility Bills. For a period covering three (3) months prior to the Effective Date, all utility bills for each Project not otherwise separately metered and paid by tenants under the Leases;

(bb) Organizational Chart. An organizational chart showing: for the Project Owner and each Seller, the address of its principal place of business and chief executive office, its legal name, jurisdiction of organization (if applicable) and any fictitious names, as of the Effective Date (the "Organizational Chart") ;

(cc) Tax Bills. Tax bills for the Project for the most recent three (3) calendar years;

(dd) Good Standing Certificates. Current good standing certificates for each of the Sellers from such Seller's state of incorporation or formation;

(ee) Maintenance. Maintenance records and books relating to the Project for the prior three (3) years, including the "yardi" work order list (provided that the actual maintenance records and books for the Project will be made available for Purchasers' review at the Project); and

Progress | RightSignature

## SIGNATURE CERTIFICATE

REFERENCE NUMBER
/86C5D1D-C01B-1BC8-B661-FD808F47F27A

| TRANSACTION DETAILS | DOCUMENT DETAILS |
|---|---|
| **Reference Number**<br>/86C5D1D-C01B-1BC8-B661-FD808F47F27A | **Document Name**<br>C002C Purchase and Sale Agreement - Kirkwood |
| **Transaction Type**<br>Signature Request | **Filename**<br>C002C Purchase and Sale Agreement - Kirkwood.pdf |
| **Sent At**<br>02/09/2020 05:39:39 PM EST | **Pages**<br>37 pages |
| **Executed At**<br>02/10/2020 10:02:14 AM EST | **Content Type**<br>application/pdf |
| **Identity Method**<br>email | **File Size**<br>3.02 KB |
| **Distribution Method**<br>email | **Original Checksum**<br>[redacted] |
| **Signed Checksum**<br>[redacted] | |
| **Signer Sequencing**<br>Disabled | |
| **Document Passcode**<br>Disabled | |

## SIGNERS

| SIGNER | E-SIGNATURE | EVENTS |
|---|---|---|
| **Name**<br>Jaxon M. Brumley III | **Status**<br>signed | **Viewed At**<br>02/10/2020 09:39:31 AM EST |
| **Email**<br>jbrumley@carrollorg.com | **Multi-Factor Digital Fingerprint Checksum**<br>[redacted] | **Identity Authenticated At**<br>02/10/2020 10:02:14 AM EST |
| **Components**<br>4 | **IP Address**<br>174.99.133.70 | **Signed At**<br>02/10/2020 10:02:14 AM EST |
| | **Device**<br>Mobile Safari via iOS | |
| | **Typed Signature**<br>[redacted] | |
| | **Signature Reference ID**<br>DCAD94C0 | |
| | **Typed Signature**<br>[redacted] | |
| | **Signature Reference ID**<br>433A9C30 | |
| | **Typed Signature**<br>[redacted] | |
| | **Signature Reference ID**<br>899D997D | |
| | **Typed Signature**<br>[redacted] | |
| | **Signature Reference ID**<br>307703C8 | |

## AUDITS

| TIMESTAMP | AUDIT |
|---|---|
| 02/09/2020 05:39:39 PM EST | Jaxon Parker Brumley (jparker@walkmessage.com) created document 'C002C Purchase and Sale Agreement - Kirkwood.pdf' from Microsoft Edge on Windows from 50.63.253.74 |
| 02/09/2020 05:39:39 PM EST | Jaxon M. Brumley III (jbrumley@carrollorg.com) was emailed a link to sign. |
| 02/09/2020 09:32:01 PM EST | Jaxon M. Brumley III (jbrumley@carrollorg.com) viewed the document on Mobile Safari via iOS from 174.99.133.70 |
| 02/10/2020 09:39:31 AM EST | Jaxon M. Brumley III (jbrumley@carrollorg.com) viewed the document on Mobile Safari via iOS from 174.99.133.70 |

# ADDENDUM B

NOTE C - MORTGAGES PAYABLE

The mortgages are payable to USDA RD, as detailed below, in monthly installments, including interest. The monthly payments are reduced by payment subsidies under interest credit agreements, which continue as long as the Partnership remains in compliance with the provisions of the loan agreements. The mortgages are collateralized by deeds of trust on the properties of the Partnership and an assignment of all rents, profits and income. Rents received in excess of "basic rents" on a per unit basis are remitted to USDA RD.

| Loan Description | Monthly Payment | Payment Subsidy | Interest Rate | Balance at December 31, 2025 |
|---|---|---|---|---|
| USDA RD | $ 6,086.06 | $ 4,067.35 | 8.50% | $ 192,225.09 |
| USDA RD | 2,987.93 | 1,900.26 | 6.75% | 394,507.89 |
| USDA RD | 882.33 | 598.65 | 7.75% | 99,167.47 |
| | $ 9,956.32 | $ 6,566.26 | | 685,900.45 |
| | | Less current maturities | | 71,255.23 |
| | | | | 614,645.22 |
| | | Less mortgage issuance costs, unamortized | | 9,001.73 |
| | | | | $ 605,643.49 |

Estimated future maturities of the mortgages payable at December 31, 2025 are as follows:

| | |
|---|---|
| 2026 | $ 71,255.23 |
| 2027 | 77,350.64 |
| 2028 | 83,970.51 |
| 2029 | 15,439.03 |
| 2030 | 16,554.00 |
| Thereafter | 421,331.04 |
| | $ 685,900.45 |

Mortgage issuance costs are being amortized to Interest - mortgage issuance costs over the life of the loan. At December 31, 2025 and 2024, accumulated amortization for mortgage issuance costs was $82,126.27 and $81,627.43, respectively.

NOTE D - CONCENTRATIONS, COMMITMENTS AND CONTINGENCIES

The Partnership maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation. Deposit accounts, at times, may exceed federally insured limits.

Knollwood
Loans: 2, 4 & 6

| | |
|---|---|
| Principal | $ 1,480,048.76 |
| Interest rate | N/A |
| Monthly rate | N/A |
| Subsidy | $ 6,566.26 |
| Monthly payment | $ 3,372.06 |

| | Payment | Interest Incurred | Subsidy | 8510-0000 Interest Paid | 2820-0000 Principal | Balance |
|---|---|---|---|---|---|---|
| 1/31/2021 | $ 3,372.06 | $ 6,143.27 | $ 6,566.26 | $ (422.99) | $ 3,795.05 | $ 962,562.95 |
| 2/28/2021 | $ 3,372.06 | $ 6,117.29 | $ 6,566.26 | $ (448.97) | $ 3,821.03 | $ 958,741.92 |
| 3/31/2021 | $ 3,372.06 | $ 6,091.14 | $ 6,566.26 | $ (475.12) | $ 3,847.18 | $ 954,894.74 |
| 4/30/2021 | $ 3,372.06 | $ 6,064.80 | $ 6,566.26 | $ (501.46) | $ 3,873.52 | $ 951,021.22 |
| 5/31/2021 | $ 3,372.06 | $ 6,038.28 | $ 6,566.26 | $ (527.98) | $ 3,900.04 | $ 947,121.18 |
| 6/30/2021 | $ 3,372.06 | $ 6,011.58 | $ 6,566.26 | $ (554.68) | $ 3,926.74 | $ 943,194.44 |
| 7/31/2021 | $ 3,372.06 | $ 5,984.69 | $ 6,566.26 | $ (581.57) | $ 3,953.63 | $ 939,240.81 |
| 8/31/2021 | $ 3,372.06 | $ 5,957.63 | $ 6,566.26 | $ (608.63) | $ 3,980.69 | $ 935,260.12 |
| 9/30/2021 | $ 3,372.06 | $ 5,930.37 | $ 6,566.26 | $ (635.89) | $ 4,007.95 | $ 931,252.17 |
| 10/31/2021 | $ 3,372.06 | $ 5,902.92 | $ 6,566.26 | $ (663.34) | $ 4,035.40 | $ 927,216.77 |
| 11/30/2021 | $ 3,372.06 | $ 5,875.29 | $ 6,566.26 | $ (690.97) | $ 4,063.03 | $ 923,153.74 |
| 12/31/2021 | $ 3,372.06 | $ 5,847.47 | $ 6,566.26 | $ (718.79) | $ 4,090.85 | $ 919,062.89 |
| 1/31/2022 | $ 3,372.06 | $ 5,819.45 | $ 6,566.26 | $ (746.81) | $ 4,118.87 | $ 914,944.02 |
| 2/28/2022 | $ 3,372.06 | $ 5,791.25 | $ 6,566.26 | $ (775.01) | $ 4,147.07 | $ 910,796.95 |
| 3/31/2022 | $ 3,372.06 | $ 5,762.84 | $ 6,566.26 | $ (803.42) | $ 4,175.48 | $ 906,621.48 |
| 4/30/2022 | $ 3,372.06 | $ 5,734.25 | $ 6,566.26 | $ (832.01) | $ 4,204.07 | $ 902,417.40 |
| 5/31/2022 | $ 3,372.06 | $ 5,705.45 | $ 6,566.26 | $ (860.81) | $ 4,232.87 | $ 898,184.53 |
| 6/30/2022 | $ 3,372.06 | $ 5,676.46 | $ 6,566.26 | $ (889.80) | $ 4,261.86 | $ 893,922.67 |
| 7/31/2022 | $ 3,372.06 | $ 5,647.27 | $ 6,566.26 | $ (918.99) | $ 4,291.05 | $ 889,631.62 |
| 8/31/2022 | $ 3,372.06 | $ 5,617.87 | $ 6,566.26 | $ (948.39) | $ 4,320.45 | $ 885,311.17 |
| 9/30/2022 | $ 3,372.06 | $ 5,588.28 | $ 6,566.26 | $ (977.98) | $ 4,350.04 | $ 880,961.13 |
| 10/31/2022 | $ 3,372.06 | $ 5,558.48 | $ 6,566.26 | $ (1,007.78) | $ 4,379.84 | $ 876,581.28 |
| 11/30/2022 | $ 3,372.06 | $ 5,528.47 | $ 6,566.26 | $ (1,037.79) | $ 4,409.85 | $ 872,171.43 |
| 12/31/2022 | $ 3,372.06 | $ 5,498.26 | $ 6,566.26 | $ (1,068.00) | $ 4,440.06 | $ 867,731.37 |
| 1/31/2023 | $ 3,372.06 | $ 5,467.84 | $ 6,566.26 | $ (1,098.42) | $ 4,470.48 | $ 863,260.89 |
| 2/28/2023 | $ 3,372.06 | $ 5,437.21 | $ 6,566.26 | $ (1,129.05) | $ 4,501.11 | $ 858,759.78 |
| 3/31/2023 | $ 3,372.06 | $ 5,406.37 | $ 6,566.26 | $ (1,159.89) | $ 4,531.95 | $ 854,227.83 |
| 4/30/2023 | $ 3,372.06 | $ 5,375.31 | $ 6,566.26 | $ (1,190.95) | $ 4,563.01 | $ 849,664.82 |
| 5/31/2023 | $ 3,372.06 | $ 5,344.05 | $ 6,566.26 | $ (1,222.21) | $ 4,594.27 | $ 845,070.55 |
| 6/30/2023 | $ 3,372.06 | $ 5,312.56 | $ 6,566.26 | $ (1,253.70) | $ 4,625.76 | $ 840,444.79 |
| 7/31/2023 | $ 3,372.06 | $ 5,280.86 | $ 6,566.26 | $ (1,285.40) | $ 4,657.46 | $ 835,787.34 |
| 8/31/2023 | $ 3,372.06 | $ 5,248.95 | $ 6,566.26 | $ (1,317.31) | $ 4,689.37 | $ 831,097.96 |
| 9/30/2023 | $ 3,372.06 | $ 5,216.81 | $ 6,566.26 | $ (1,349.45) | $ 4,721.51 | $ 826,376.45 |
| 10/31/2023 | $ 3,372.06 | $ 5,184.45 | $ 6,566.26 | $ (1,381.81) | $ 4,753.87 | $ 821,622.58 |
| 11/30/2023 | $ 3,372.06 | $ 5,151.87 | $ 6,566.26 | $ (1,414.39) | $ 4,786.45 | $ 816,836.13 |
| 12/31/2023 | $ 3,372.06 | $ 5,119.06 | $ 6,566.26 | $ (1,447.20) | $ 4,819.26 | $ 812,016.87 |
| 1/31/2024 | $ 3,372.06 | $ 5,086.03 | $ 6,566.26 | $ (1,480.23) | $ 4,852.29 | $ 807,164.57 |
| 2/29/2024 | $ 3,372.06 | $ 5,052.77 | $ 6,566.26 | $ (1,513.49) | $ 4,885.55 | $ 802,279.02 |
| 3/31/2024 | $ 3,372.06 | $ 5,019.27 | $ 6,566.26 | $ (1,546.99) | $ 4,919.05 | $ 797,359.97 |
| 4/30/2024 | $ 3,372.06 | $ 4,985.55 | $ 6,566.26 | $ (1,580.71) | $ 4,952.77 | $ 792,407.21 |
| 5/31/2024 | $ 3,372.06 | $ 4,951.60 | $ 6,566.26 | $ (1,614.66) | $ 4,986.72 | $ 787,420.49 |
| 6/30/2024 | $ 3,372.06 | $ 4,917.41 | $ 6,566.26 | $ (1,648.85) | $ 5,020.91 | $ 782,399.58 |
| 7/31/2024 | $ 3,372.06 | $ 4,882.99 | $ 6,566.26 | $ (1,683.27) | $ 5,055.33 | $ 777,344.25 |
| 8/31/2024 | $ 3,372.06 | $ 4,848.33 | $ 6,566.26 | $ (1,717.93) | $ 5,089.99 | $ 772,254.26 |
| 9/30/2024 | $ 3,372.06 | $ 4,813.43 | $ 6,566.26 | $ (1,752.83) | $ 5,124.89 | $ 767,129.37 |
| 10/31/2024 | $ 3,372.06 | $ 4,778.29 | $ 6,566.26 | $ (1,787.97) | $ 5,160.03 | $ 761,969.34 |
| 11/30/2024 | $ 3,372.06 | $ 4,742.91 | $ 6,566.26 | $ (1,823.35) | $ 5,195.41 | $ 756,773.93 |
| 12/31/2024 | $ 3,372.06 | $ 4,707.28 | $ 6,566.26 | $ (1,858.98) | $ 5,231.04 | $ 751,542.89 |
| 1/31/2025 | $ 3,372.06 | $ 4,671.41 | $ 6,566.26 | $ (1,894.85) | $ 5,266.91 | $ 746,275.98 |
| 2/28/2025 | $ 3,372.06 | $ 4,635.29 | $ 6,566.26 | $ (1,930.97) | $ 5,303.03 | $ 740,972.95 |
| 3/31/2025 | $ 3,372.06 | $ 4,598.92 | $ 6,566.26 | $ (1,967.34) | $ 5,339.40 | $ 735,633.55 |
| 4/30/2025 | $ 3,372.06 | $ 4,562.30 | $ 6,566.26 | $ (2,003.96) | $ 5,376.02 | $ 730,257.54 |
| 5/31/2025 | $ 3,372.06 | $ 4,525.43 | $ 6,566.26 | $ (2,040.83) | $ 5,412.89 | $ 724,844.65 |
| 6/30/2025 | $ 3,372.06 | $ 4,488.31 | $ 6,566.26 | $ (2,077.95) | $ 5,450.01 | $ 719,394.64 |
| 7/31/2025 | $ 3,372.06 | $ 4,450.92 | $ 6,566.26 | $ (2,115.34) | $ 5,487.40 | $ 713,907.24 |
| 8/31/2025 | $ 3,372.06 | $ 4,413.29 | $ 6,566.26 | $ (2,152.97) | $ 5,525.03 | $ 708,382.20 |
| 9/30/2025 | $ 3,372.06 | $ 4,375.39 | $ 6,566.26 | $ (2,190.87) | $ 5,562.93 | $ 702,819.27 |
| 10/31/2025 | $ 3,372.06 | $ 4,337.23 | $ 6,566.26 | $ (2,229.03) | $ 5,601.09 | $ 697,218.18 |
| 11/30/2025 | $ 3,372.06 | $ 4,298.80 | $ 6,566.26 | $ (2,267.46) | $ 5,639.52 | $ 691,578.66 |
| 12/31/2025 | $ 3,372.06 | $ 4,260.11 | $ 6,566.26 | $ (2,306.15) | $ 5,678.21 | $ 685,900.45 |
| 1/31/2026 | $ 3,372.06 | $ 4,221.16 | $ 6,566.26 | $ (2,345.10) | $ 5,717.16 | $ 680,183.29 |
| 2/28/2026 | $ 3,372.06 | $ 4,181.93 | $ 6,566.26 | $ (2,384.33) | $ 5,756.39 | $ 674,426.90 |
| 3/31/2026 | $ 3,372.06 | $ 4,142.44 | $ 6,566.26 | $ (2,423.82) | $ 5,795.88 | $ 668,631.02 |
| 4/30/2026 | $ 3,372.06 | $ 4,102.67 | $ 6,566.26 | $ (2,463.59) | $ 5,835.65 | $ 662,795.37 |
| 5/31/2026 | $ 3,372.06 | $ 4,062.63 | $ 6,566.26 | $ (2,503.63) | $ 5,875.69 | $ 656,919.68 |
| 6/30/2026 | $ 3,372.06 | $ 4,022.31 | $ 6,566.26 | $ (2,543.95) | $ 5,916.01 | $ 651,003.68 |
| 7/31/2026 | $ 3,372.06 | $ 3,981.72 | $ 6,566.26 | $ (2,584.54) | $ 5,956.60 | $ 645,047.07 |
| 8/31/2026 | $ 3,372.06 | $ 3,940.84 | $ 6,566.26 | $ (2,625.42) | $ 5,997.48 | $ 639,049.59 |
| 9/30/2026 | $ 3,372.06 | $ 3,899.68 | $ 6,566.26 | $ (2,666.58) | $ 6,038.64 | $ 633,010.96 |
| 10/31/2026 | $ 3,372.06 | $ 3,858.24 | $ 6,566.26 | $ (2,708.02) | $ 6,080.08 | $ 626,930.88 |
| 11/30/2026 | $ 3,372.06 | $ 3,816.51 | $ 6,566.26 | $ (2,749.75) | $ 6,121.81 | $ 620,809.07 |
| 12/31/2026 | $ 3,372.06 | $ 3,774.50 | $ 6,566.26 | $ (2,791.76) | $ 6,163.82 | $ 614,645.25 |
| 1/31/2027 | $ 3,372.06 | $ 3,732.19 | $ 6,566.26 | $ (2,834.07) | $ 6,206.13 | $ 608,439.12 |
| 2/28/2027 | $ 3,372.06 | $ 3,689.59 | $ 6,566.26 | $ (2,876.67) | $ 6,248.73 | $ 602,190.40 |
| 3/31/2027 | $ 3,372.06 | $ 3,646.70 | $ 6,566.26 | $ (2,919.56) | $ 6,291.62 | $ 595,898.78 |
| 4/30/2027 | $ 3,372.06 | $ 3,603.52 | $ 6,566.26 | $ (2,962.74) | $ 6,334.80 | $ 589,563.97 |
| 5/31/2027 | $ 3,372.06 | $ 3,560.03 | $ 6,566.26 | $ (3,006.23) | $ 6,378.29 | $ 583,185.68 |
| 6/30/2027 | $ 3,372.06 | $ 3,516.24 | $ 6,566.26 | $ (3,050.02) | $ 6,422.08 | $ 576,763.61 |
| 7/31/2027 | $ 3,372.06 | $ 3,472.16 | $ 6,566.26 | $ (3,094.10) | $ 6,466.16 | $ 570,297.45 |
| 8/31/2027 | $ 3,372.06 | $ 3,427.77 | $ 6,566.26 | $ (3,138.49) | $ 6,510.55 | $ 563,786.89 |
| 9/30/2027 | $ 3,372.06 | $ 3,383.07 | $ 6,566.26 | $ (3,183.19) | $ 6,555.25 | $ 557,231.64 |
| 10/31/2027 | $ 3,372.06 | $ 3,338.06 | $ 6,566.26 | $ (3,228.20) | $ 6,600.26 | $ 550,631.38 |

# ADDENDUM C

# Affordable Rent Roll with Lease Charges
**Property: Knollwood (a06)**
As of Date: 04/06/2026
Balance Month: 04/2026

04/06/2026 8:58 AM

| Property | Resident Status | Unit | Unit Type | Unit Sq Ft | Unit/ Lease Status | Resident | Name | Market Rent | Charge Code | Amount | U.R. Amount | Resident Deposit | Lease From | Lease Expiration | Move In Date | Move Out Date | Balance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Knollwood (a06) | Current/Notice Residents | 6-01A | 061B1B | 486 | Occupied No Notice | t0025207 | Thomas, Roberta | 832.00 | rent | 491.00 | 0.00 | 150.00 | 04/01/2024 | | 04/01/2023 | | 385.00 |
| | | | | | | | | | rdra | 217.00 | | | | | | | |
| | | | | | | | | | **Total** | **708.00** | | | | | | | |
| | | 6-01B | 061B1B | 486 | Occupied No Notice | t0014882 | Bailey, Debra | 832.00 | rent | 590.00 | 0.00 | 150.00 | 07/01/2023 | | 06/09/2020 | | 91.00 |
| | | | | | | | | | rdra | 118.00 | | | | | | | |
| | | | | | | | | | **Total** | **708.00** | | | | | | | |
| | | 6-01C | 061B1B | 486 | Occupied No Notice | t0002801 | McCormick, Roma | 832.00 | rent | 366.00 | 0.00 | 150.00 | 12/01/2025 | 12/31/2026 | 01/22/1987 | | 342.00 |
| | | | | | | | | | rdra | 342.00 | | | | | | | |
| | | | | | | | | | **Total** | **708.00** | | | | | | | |
| | | 6-01D | 061B1B | 486 | Occupied No Notice | t0002802 | Tillis, Marvin | 832.00 | rent | 708.00 | 0.00 | 0.00 | 08/01/2023 | | 07/09/2012 | | 888.93 |
| | | | | | | | | | raoverag | 124.00 | | | | | | | |
| | | | | | | | | | **Total** | **832.00** | | | | | | | |
| | | 6-02A | 061B1B | 486 | Occupied No Notice | t0002803 | Williams, Gracie | 832.00 | rent | 214.00 | 0.00 | 150.00 | 05/01/2023 | | 07/01/2009 | | 504.00 |
| | | | | | | | | | rdra | 494.00 | | | | | | | |
| | | | | | | | | | **Total** | **708.00** | | | | | | | |
| | | 6-02B | 061B1B | 486 | Occupied No Notice | t0032247 | Fernandez, Cristina | 832.00 | rent | 242.00 | 0.00 | 150.00 | 01/01/2026 | 01/31/2027 | 12/24/2024 | | 466.00 |
| | | | | | | | | | rdra | 466.00 | | | | | | | |
| | | | | | | | | | **Total** | **708.00** | | | | | | | |
| | | 6-02C | 060E1E | 483 | Occupied No Notice | t0011092 | Osborne, Helen | 761.00 | rent | 327.00 | 0.00 | 0.00 | 04/01/2024 | | 02/21/2019 | | 343.00 |
| | | | | | | | | | rdra | 327.00 | | | | | | | |
| | | | | | | | | | **Total** | **654.00** | | | | | | | |
| | | 6-02D | 060E1E | 483 | Occupied No Notice | t0025358 | Huntley, Bre-Anna | 761.00 | rent | 0.00 | 0.00 | 150.00 | 04/10/2023 | | 04/10/2023 | | 711.00 |
| | | | | | | | | | rdra | 721.00 | | | | | | | |
| | | | | | | | | | **Total** | **721.00** | | | | | | | |
| | | 6-03A | 062B1B | 782 | Occupied No Notice | t0002807 | Hemphill, Deborah | 885.00 | rent | 185.00 | 0.00 | 0.00 | 04/01/2023 | | 07/07/2008 | | 555.00 |
| | | | | | | | | | rdra | 562.00 | | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | | |
| | | 6-03B | 062B1B | 782 | Occupied No Notice | t0039448 | Crockett, Jarvis | 885.00 | rent | 555.00 | 0.00 | 300.00 | 10/01/2025 | 09/30/2026 | 10/01/2025 | | 743.00 |
| | | | | | | | | | rdra | 192.00 | | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | | |
| | | 6-03C | 062B1B | 782 | Occupied No Notice | t0002800 | Dover, Martha | 885.00 | rent | 445.00 | 0.00 | 0.00 | 05/14/2020 | | 05/14/2020 | | 743.00 |
| | | | | | | | | | rdra | 302.00 | | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | | |
| | | 6-03D | 062B1B | 782 | Occupied No Notice | t0002831 | Cooke, Susanne | 885.00 | rent | 534.00 | 0.00 | 0.00 | 02/01/2024 | | 05/31/2017 | | 4.00 |
| | | | | | | | | | rdra | 213.00 | | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | | |
| | | 6-04A | 061B1B | 486 | Occupied No Notice | t0012001 | Sawyer, Kelly | 832.00 | rent | 382.00 | 0.00 | 0.00 | 06/01/2023 | | 05/29/2019 | | 326.00 |
| | | | | | | | | | rdra | 326.00 | | | | | | | |
| | | | | | | | | | **Total** | **708.00** | | | | | | | |
| | | 6-04B | 060E1E | 483 | Occupied No Notice | t0025647 | Acevedo, Wilfred | 761.00 | rent | 415.00 | 0.00 | 150.00 | 05/03/2023 | | 05/03/2023 | | 239.00 |
| | | | | | | | | | rdra | 239.00 | | | | | | | |
| | | | | | | | | | **Total** | **654.00** | | | | | | | |
| | | 6-04C | 060E1E | 483 | Occupied No Notice | t0026017 | Burris, Ebony | 761.00 | rent | 187.00 | 0.00 | 0.00 | 07/01/2023 | | 07/01/2023 | | 407.00 |
| | | | | | | | | | rdra | 442.00 | | | | | | | |
| | | | | | | | | | **Total** | **629.00** | | | | | | | |
| | | 6-04D | 061B1B | 486 | Occupied No Notice | t0018357 | Rose, Melissa | 832.00 | rent | 497.00 | 0.00 | 0.00 | 05/01/2023 | | 05/01/2023 | | 211.00 |
| | | | | | | | | | rdra | 211.00 | | | | | | | |
| | | | | | | | | | **Total** | **708.00** | | | | | | | |
| | | 6-05A | 063B1B | 888 | Occupied No Notice | t0010782 | Simmons, John | 968.00 | rent | 432.00 | 0.00 | 0.00 | 01/02/2026 | 01/31/2027 | 05/12/2020 | | 356.00 |
| | | | | | | | | | rdra | 375.00 | | | | | | | |
| | | | | | | | | | **Total** | **807.00** | | | | | | | |
| | | 6-05B | 063B1B | 888 | Occupied No Notice | t0002815 | McNeil, Katie | 968.00 | rdra | 824.00 | 0.00 | 0.00 | 04/01/2024 | | 10/01/2014 | | 821.00 |
| | | | | | | | | | **Total** | **824.00** | | | | | | | |
| | | 6-06A | 062B1B | 782 | Occupied No Notice | t0009292 | Golden, Evelyn | 885.00 | rent | 524.00 | 0.00 | 150.00 | 07/01/2023 | | 06/04/2018 | | 241.00 |
| | | | | | | | | | rdra | 223.00 | | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | | |
| | | 6-06B | 062B1B | 782 | Occupied No Notice | t0014496 | Huntley, Sheila | 885.00 | rent | 501.00 | 0.00 | 150.00 | 06/01/2023 | | 05/06/2020 | | 767.00 |
| | | | | | | | | | rdra | 246.00 | | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | | |
| | | 6-06C | 062B1B | 782 | Occupied No Notice | t0028286 | Turner, Tamara | 885.00 | rent | 747.00 | 0.00 | 0.00 | 12/01/2025 | 12/31/2026 | 11/13/2023 | | -2842.71 |
| | | | | | | | | | raoverag | 23.00 | | | | | | | |
| | | | | | | | | | **Total** | **770.00** | | | | | | | |
| | | 6-06D | 062B1B | 782 | Vacant Rented Not Read | VACANT | VACANT | 885.00 | | 0.00 | 0.00 | 0.00 | | | | | 0.00 |
| | | | | | | | | | **Total** | **0.00** | | | | | | | |
| | | 6-07A | 062B1B | 782 | Occupied No Notice | t0002820 | Jackson, Drucille | 885.00 | rent | 377.00 | 0.00 | 0.00 | 06/01/2023 | | 06/01/2016 | | 424.00 |
| | | | | | | | | | rdra | 370.00 | | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | | |
| | | 6-07B | 062B1B | 782 | Occupied No Notice | t0026195 | Haskett, Lori | 885.00 | rent | 703.00 | 0.00 | 0.00 | 07/01/2023 | | 06/23/2023 | | 44.00 |
| | | | | | | | | | rdra | 44.00 | | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | | |
| | | 6-07C | 062B1B | 782 | Occupied No Notice | t0015271 | Earle, Theresa | 885.00 | rent | 33.00 | 0.00 | 0.00 | 11/01/2023 | | 10/01/2020 | | 665.00 |
| | | | | | | | | | rdra | 714.00 | | | | | | | |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6-07D | 062B1B | 782 | Occupied No Notice | t0002823 | Tillis, Vivian | 885.00 | **Total** | **747.00** | 0.00 | 0.00 | 06/01/2023 | 10/18/2010 | | 590.00 |
| | | | | | | | rent | 177.00 | | | | | | |
| | | | | | | | rdra | 570.00 | | | | | | |
| 6-08A | 063B1B | 888 | Occupied No Notice | t0002824 | Brown, Gwendolyn | 968.00 | **Total** | **747.00** | 0.00 | 0.00 | 08/01/2023 | 08/01/2011 | | 687.00 |
| | | | | | | | rent | 91.00 | | | | | | |
| | | | | | | | rdra | 716.00 | | | | | | |
| 6-08B | 063B1B | 888 | Occupied No Notice | t0002825 | Melton, Tiffany | 968.00 | **Total** | **807.00** | 0.00 | 0.00 | 04/01/2023 | 04/30/2026 | 08/01/2012 | 39.00 |
| | | | | | | | rent | 807.00 | | | | | | |
| | | | | | | | raoverag | 161.00 | | | | | | |
| 6-09A | 062B1B | 782 | Occupied No Notice | t0002826 | Chesney, Patricia | 885.00 | **Total** | **968.00** | 0.00 | 0.00 | 11/01/2022 | 06/03/2011 | | 565.00 |
| | | | | | | | rent | 625.00 | | | | | | |
| | | | | | | | rdra | 122.00 | | | | | | |
| 6-09B | 062B1B | 782 | Occupied No Notice | t0007350 | Clayton, Patricia | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 10/01/2022 | 09/28/2017 | | 615.00 |
| | | | | | | | rent | 132.00 | | | | | | |
| | | | | | | | rdra | 615.00 | | | | | | |
| 6-09C | 062B1B | 782 | Occupied No Notice | t0031702 | Huntley, Saikeya | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 10/01/2025 | 10/31/2026 | 09/05/2024 | 701.00 |
| | | | | | | | rent | 267.00 | | | | | | |
| | | | | | | | rdra | 480.00 | | | | | | |
| 6-09D | 062B1B | 782 | Occupied No Notice | t0020315 | Patterson, Justin | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 04/01/2024 | 04/30/2026 | 03/08/2023 | 296.00 |
| | | | | | | | rent | 381.00 | | | | | | |
| | | | | | | | rdra | 366.00 | | | | | | |
| 6-10A | 062B1B | 782 | Occupied No Notice | t0002830 | Crosby, Ann | 885.00 | **Total** | **747.00** | 0.00 | 0.00 | 04/01/2023 | 04/30/2026 | 04/01/2012 | 42.00 |
| | | | | | | | rent | 687.00 | | | | | | |
| | | | | | | | rdra | 60.00 | | | | | | |
| 6-10B | 062B1B | 782 | Occupied No Notice | t0020334 | Lewis, Destine | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 02/01/2024 | 01/20/2022 | | 342.00 |
| | | | | | | | rent | 273.00 | | | | | | |
| | | | | | | | rdra | 474.00 | | | | | | |
| 6-10C | 062B1B | 782 | Occupied No Notice | t0033160 | Edwards, Kimberly | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 01/08/2025 | 01/31/2026 | 01/08/2025 | 377.25 |
| | | | | | | | rent | 347.00 | | | | | | |
| | | | | | | | rdra | 400.00 | | | | | | |
| 6-11A | 062B1B | 782 | Occupied No Notice | t0012398 | Lewis, Kaytonia | 885.00 | **Total** | **747.00** | 0.00 | 0.00 | 08/01/2023 | 07/15/2019 | | 607.00 |
| | | | | | | | rent | 81.00 | | | | | | |
| | | | | | | | rdra | 666.00 | | | | | | |
| 6-11B | 062B1B | 782 | Occupied No Notice | t0008431 | MacAllister, Mary | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 04/01/2023 | 03/02/2018 | | 479.00 |
| | | | | | | | rent | 268.00 | | | | | | |
| | | | | | | | rdra | 479.00 | | | | | | |
| 6-11C | 062B1B | 782 | Occupied No Notice | t0002835 | Davis, Helen | 885.00 | **Total** | **747.00** | 0.00 | 0.00 | 05/01/2023 | 04/30/2026 | 03/01/2007 | 567.00 |
| | | | | | | | rent | 180.00 | | | | | | |
| | | | | | | | rdra | 567.00 | | | | | | |
| 6-11D | 062B1B | 782 | Occupied No Notice | t0002836 | Carter, Jessica | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 04/01/2024 | 04/30/2026 | 07/09/2009 | 352.00 |
| | | | | | | | rent | 395.00 | | | | | | |
| | | | | | | | rdra | 352.00 | | | | | | |
| 6-12A | 060E1E | 483 | Occupied No Notice | t0002837 | Osiecki, Edward | 761.00 | **Total** | **747.00** | 0.00 | 0.00 | 03/01/2023 | 08/12/1989 | | 267.00 |
| | | | | | | | rent | 387.00 | | | | | | |
| | | | | | | | rdra | 267.00 | | | | | | |
| 6-12B | 060E1E | 483 | Occupied No Notice | t0002838 | Williams, Madelene | 761.00 | **Total** | **654.00** | 0.00 | 150.00 | 04/01/2023 | 05/01/2012 | | 425.00 |
| | | | | | | | rent | 292.00 | | | | | | |
| | | | | | | | rdra | 362.00 | | | | | | |
| 6-12C | 061B1B | 486 | Occupied No Notice | t0002839 | Blaylock, Pam | 832.00 | **Total** | **654.00** | 0.00 | 150.00 | 06/01/2023 | 04/01/2012 | | 134.00 |
| | | | | | | | rent | 516.00 | | | | | | |
| | | | | | | | rdra | 192.00 | | | | | | |
| 6-12D | 061B1B | 486 | Occupied No Notice | t0026279 | Monroe, Joanne | 832.00 | **Total** | **708.00** | 0.00 | 150.00 | 07/01/2023 | 07/01/2023 | | 368.00 |
| | | | | | | | rent | 326.00 | | | | | | |
| | | | | | | | rdra | 382.00 | | | | | | |
| 6-13A | 062B1B | 782 | Occupied No Notice | t0030166 | Snellings, Jaquarius | 885.00 | **Total** | **708.00** | 0.00 | 150.00 | 05/01/2024 | 05/31/2026 | 05/06/2024 | 346.66 |
| | | | | | | | rent | 362.00 | | | | | | |
| | | | | | | | rdra | 385.00 | | | | | | |
| 6-13B | 062B1B | 782 | Occupied No Notice | t0008125 | Morin, Bonnie | 885.00 | **Total** | **747.00** | 0.00 | 0.00 | 02/01/2024 | 01/18/2018 | | 466.00 |
| | | | | | | | rent | 278.00 | | | | | | |
| | | | | | | | rdra | 469.00 | | | | | | |
| 6-13C | 062B1B | 782 | Occupied No Notice | t0007722 | Velazquez, Angelica | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 01/01/2023 | 12/19/2017 | | 1402.00 |
| | | | | | | | rent | 309.00 | | | | | | |
| | | | | | | | rdra | 438.00 | | | | | | |
| 6-13D | 062B1B | 782 | Occupied No Notice | t0039432 | Gaither, Melvin | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 09/19/2025 | 09/30/2026 | 09/19/2025 | 576.20 |
| | | | | | | | rent | 148.00 | | | | | | |
| | | | | | | | rdra | 599.00 | | | | | | |
| 6-14A | 062B1B | 782 | Occupied No Notice | t0016925 | Barker, Elizabeth | 885.00 | **Total** | **747.00** | 0.00 | 0.00 | 04/01/2023 | 03/15/2021 | | 247.00 |
| | | | | | | | rent | 594.00 | | | | | | |
| | | | | | | | rdra | 153.00 | | | | | | |
| 6-14B | 062B1B | 782 | Occupied No Notice | t0002844 | Williams, Vickie | 885.00 | **Total** | **747.00** | 0.00 | 0.00 | 02/01/2024 | 01/18/2011 | | 139.00 |
| | | | | | | | rent | 524.00 | | | | | | |
| | | | | | | | rdra | 223.00 | | | | | | |
| 6-14C | 062B1B | 782 | Occupied No Notice | t0043633 | Whitfield, Qunanelya | 885.00 | **Total** | **747.00** | 0.00 | 150.00 | 03/02/2026 | 03/31/2027 | 03/02/2026 | -13.40 |
| | | | | | | | rent | 402.00 | | | | | | |
| | | | | | | | rdra | 345.00 | | | | | | |

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | **Total** | **747.00** | | | | | |
| | | 6-14D | 062B1B | 782 | Occupied No Notice | t0002846 | Jordan, Beth | 885.00 | rent | 211.00 | 0.00 | 0.00 | 03/01/2023 | 03/31/2026 | 02/27/2015 | 533.00 |
| | | | | | | | | | rdra | 536.00 | | | | | | |
| | | | | | | | | | **Total** | **747.00** | | | | | | |
| | **Future Residents/Applicants** | 6-06D | 062B1B | 782 | Vacant Rented Not Read | t0044030 | Martin, Cierra | **885.00** | | 0.00 | **0.00** | 0.00 | 04/03/2026 | 04/30/2027 | 04/09/2026 | **-150.00** |
| | | | | | | | | | **Total** | **0.00** | | | | | | |
| **(a06) Total** | | | | | | | | **44,193.00** | | **37,009.00** | **0.00** | **3,750.00** | | | | **18,433.93** |

| Summary Groups | Square Footage | Market Rent | Lease Charges | Security Deposit | Other Deposits | # Of Units | % Unit Occupancy | % SQFT Occupancy | Balance |
|---|---|---|---|---|---|---|---|---|---|
| Current/Notice Residents | | | 37,009.00 | 3,750.00 | 0.00 | | | | 18,583.93 |
| Future Residents/Applicants | | | 0.00 | 0.00 | 0.00 | | | | -150.00 |
| Occupied Units | 34,770.00 | 43,308.00 | | | | 50 | 98.04 | 97.80 | |
| Vacant Units | 782.00 | 885.00 | | | | 1 | 1.96 | 2.20 | |
| **Totals** | **35,552.00** | **44,193.00** | **37,009.00** | **3,750.00** | **0.00** | **51** | **100.00** | **100.00** | **18,433.93** |

| Summary of Charges by Charge Code (Current/Notice residents only) | |
|---|---|
| **Charge Code** | **Amount** |
| rent | 18,515.00 |
| rdra | 18,186.00 |
| raoverag | 308.00 |
| **Total** | **37,009.00** |

# ADDENDUM D

*Position 3*

FormRD 3560-7
(Rev. 05-06)

# MULTIPLE FAMILY HOUSING PROJECT BUDGET/ UTILITY ALLOWANCE

FORM APPROVED
OMB NO.0575-0189

| PROJECT NAME | BORROWER NAME | BORROWER ID AND PROJECT NO. |
|---|---|---|
| Knollwood Apartments | Knollwood Apartments Limited Partnership | 845773844 14 |
| Loan/Transfer Amount $ 3,372.06 | Note Rate Payment $ 0.00 | IC Payment $ 0.00 |

| Reporting Period | Budget Type | Project Rental Type | Profit Type | The following utilities are master metered: | I hereby request |
|---|---|---|---|---|---|
| ☑ Annual | ☐ Initial | ☑ Family | ☐ Full Profit | ☐ Electricity ☐ Gas | 0 units of RA. Current number |
| ☐ Quarterly | ☑ Regular Report | ☐ Elderly | ☑ Limited Profit | ☐ Water ☐ Sewer | of RA units 48. |
| ☐ Monthly | ☐ Rent Change | ☐ Congregate | ☐ Non-Profit | ☐ Trash | Borrower Accounting Method |
| | ☐ SNR | ☐ Group Home | | ☐ Other _____ | ☐ Cash ☑ Accrual |
| | ☐ Other Servicing | ☐ Mixed ☐ LH | | | |

## PART I—CASH FLOW STATEMENT

| | CURRENT BUDGET (01 - 01 - 2025) (12 - 31 - 2025) | ACTUAL (01 - 01 - 2024) (12 - 31 - 2024) | PROPOSED BUDGET (01 - 01 - 2026) (12 - 31 - 2026) | COMMENTS or (YTD) ( - - ) |
|---|---|---|---|---|
| **OPERATIONAL CASH SOURCES** | | | | |
| 1. RENTAL INCOME | 433,368.00 | 218,226.05 | 448,668.00 | |
| 2. RHS RENTAL ASSISTANCE RECEIVED | | 166,408.00 | | |
| 3. APPLICATION FEES RECEIVED | | 0.00 | | |
| 4. LAUNDRY AND VENDING | 0.00 | 0.00 | 0.00 | |
| 5. INTEREST INCOME | 204.00 | 181.51 | 180.00 | |
| 6. TENANT CHARGES | 748.00 | 90.00 | 100.00 | |
| 7. OTHER - PROJECT SOURCES | 0.00 | 0.00 | 0.00 | |
| 8. LESS *(Vacancy and Contingency Allowance)* | ( 8,814.00) | | ( 7,668.92) | 1.7% |
| 9. LESS *(Agency Approved Incentive Allowance)* | ( 0.00) | | ( 0.00) | |
| 10. SUB-TOTAL *[(1 thru 7) - (8 & 9)]* | 425,506.00 | 384,905.56 | 441,279.08 | |
| **NON-OPERATIONAL CASH SOURCES** | | | | |
| 11. CASH - NON PROJECT | 0.00 | 0.00 | 0.00 | |
| 12. AUTHORIZED LOAN *(Non-RHS)* | 0.00 | 0.00 | 0.00 | |
| 13. TRANSFER FROM RESERVE | 70,000.00 | 50,048.35 | 800.00 | |
| 14. SUB-TOTAL *(11 thru 13)* | 70,000.00 | 50,048.35 | 800.00 | |
| 15. **TOTAL CASH SOURCES** *(10+14)* | 495,506.00 | 434,953.91 | 442,079.08 | |
| **OPERATIONAL CASH USES** | | | | |
| 16. TOTAL O&M EXPENSES *(From Part II)* | 363,866.00 | 330,037.43 | 379,498.80 | |
| 17. RHS DEBT PAYMENT | 40,464.72 | 40,464.72 | 40,464.72 | |
| 18. RHS PAYMENT *(Overage)* | | 0.00 | | |
| 19. RHS PAYMENT *(Late Fee)* | | 0.00 | | |
| 20. REDUCTION IN PRIOR YEAR PAYABLES | | 0.00 | | |
| 21. TENANT UTILITY PAYMENTS | | 1,346.00 | | |
| 22. TRANSFER TO RESERVE | 14,280.00 | 37,536.07 | 14,280.00 | |
| 23. RETURN TO OWNER /NP ASSET MANAGEMENT FEE | 6,729.00 | 6,729.00 | 6,729.00 | Return to Owner |
| 24. SUB-TOTAL *(16 thru 23)* | 425,339.72 | 416,113.22 | 440,972.52 | |
| **NON-OPERATIONAL CASH USES** | | | | |
| 25. AUTHORIZED DEBT PAYMENT (Non-RHS) | 0.00 | 0.00 | 0.00 | |
| 26. ANNUAL CAPITAL BUDGET *(From Part III, Lines 4-6)* | 70,000.00 | 50,048.35 | 800.00 | |
| 27. MISCELLANEOUS | 0.00 | 0.00 | 0.00 | |
| 28. SUB-TOTAL *(25 thru 27)* | 70,000.00 | 50,048.35 | 800.00 | |
| 29. **TOTAL CASH USES** *(24+28)* | 495,339.72 | 466,161.57 | 441,772.52 | |
| 30. **NET CASH (DEFICIT)** *(15–29)* | 166.28 | - 31,207.66 | 306.56 | |
| **CASH BALANCE** | | | | |
| 31. BEGINNING CASH BALANCE | 17,087.16 | 52,247.74 | 17,253.44 | |
| 32. ACCRUAL TO CASH ADJUSTMENT | | - 3,952.92 | | |
| 33. ENDING CASH BALANCE *(30+31+32)* | 17,253.44 | 17,087.16 | 17,560.00 | |

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 2 1/2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.*

## PART II—OPERATING AND MAINTENANCE EXPENSE SCHEDULE

| | CURRENT BUDGET | ACTUAL | PROPOSED BUDGET | COMMENTS or (YTD) |
|---|---|---|---|---|
| 1. MAINTENANCE AND REPAIRS PAYROLL | 30,084.00 | 24,877.63 | 33,092.40 | |
| 2. MAINTENANCE AND REPAIRS SUPPLY | 11,363.00 | 10,525.45 | 11,000.00 | |
| 3. MAINTENANCE AND REPAIRS CONTRACT | 9,060.00 | 13,434.15 | 11,508.00 | |
| 4. PAINTING | 3,084.00 | 2,655.36 | 2,808.00 | |
| 5. SNOW REMOVAL | 0.00 | 0.00 | 0.00 | |
| 6. ELEVATOR MAINTENANCE/CONTRACT | 0.00 | 0.00 | 0.00 | |
| 7. GROUNDS | 12,288.00 | 7,530.00 | 13,500.00 | |
| 8. SERVICES | 3,948.00 | 1,420.96 | 2,004.00 | |
| 9. ANNUAL CAPITAL BUDGET *(From Part V - Operating)* | 41,350.00 | 3,257.08 | 35,350.00 | |
| 10. OTHER OPERATING EXPENSES *(Itemize)* | 0.00 | 0.00 | 0.00 | |
| 11. SUB-TOTAL MAINT. & OPERATING *(1 thru 10)* | 111,177.00 | 63,700.63 | 109,262.40 | |
| 12. ELECTRICITY *If master metered check box on front.* | 8,196.00 | 8,854.21 | 8,904.00 | |
| 13. WATER | 31,944.00 | 50,765.72 | 39,000.00 | |
| 14. SEWER | 0.00 | 0.00 | 0.00 | |
| 15. FUEL *(Oil/Coal/Gas)* | 192.00 | 224.85 | 216.00 | |
| 16. GARBAGE & TRASH REMOVAL | 14,400.00 | 14,403.28 | 20,004.00 | |
| 17. OTHER UTILITIES | 0.00 | 0.00 | 0.00 | |
| 18. SUB-TOTAL UTILITIES *(12 thru 17)* | 54,732.00 | 74,248.06 | 68,124.00 | |
| 19. SITE MANAGEMENT PAYROLL | 30,324.00 | 29,646.87 | 33,356.40 | |
| 20. MANAGEMENT FEE | 52,632.00 | 53,239.00 | 52,632.00 | |
| 21. PROJECT AUDITING EXPENSE | 4,900.00 | 42.35 | 5,500.00 | |
| 22. PROJECT BOOKKEEPING/ACCOUNTING | 0.00 | 0.00 | 0.00 | |
| 23. LEGAL EXPENSES | 500.00 | 2,450.00 | 750.00 | |
| 24. ADVERTISING | 504.00 | 3.87 | 200.00 | |
| 25. TELEPHONE & ANSWERING SERVICE | 3,528.00 | 4,141.39 | 3,000.00 | |
| 26. OFFICE SUPPLIES | 5,261.00 | 6,688.95 | 6,700.00 | |
| 27. OFFICE FURNITURE & EQUIPMENT | 0.00 | 633.78 | 400.00 | |
| 28. TRAINING EXPENSE | 504.00 | 848.35 | 600.00 | |
| 29. HEALTH INS. & OTHER EMP. BENEFITS | 15,600.00 | 2,880.50 | 4,000.00 | |
| 30. PAYROLL TAXES | 2,088.00 | 3,920.79 | 3,000.00 | |
| 31. WORKER'S COMPENSATION | 1,716.00 | 1,664.36 | 1,716.00 | |
| 32. OTHER ADMINISTRATIVE EXPENSES *(Itemize)* | 6,192.00 | 4,986.24 | 6,000.00 | See Schedules |
| 33. SUB-TOTAL ADMINISTRATIVE *(19 thru 32)* | 123,749.00 | 111,146.45 | 117,854.40 | |
| 34. REAL ESTATE TAXES | 43,344.00 | 48,190.44 | 49,000.00 | 3% inc to actual |
| 35. SPECIAL ASSESSMENTS | 0.00 | 0.00 | 0.00 | |
| 36. OTHER TAXES, LICENSES & PERMITS | 624.00 | 765.32 | 800.00 | Business Licenses |
| 37. PROPERTY & LIABILITY INSURANCE | 30,240.00 | 31,986.53 | 34,458.00 | |
| 38. FIDELITY COVERAGE INSURANCE | 0.00 | 0.00 | 0.00 | |
| 39. OTHER INSURANCE | 0.00 | 0.00 | 0.00 | |
| 40. SUB-TOTAL TAXES & INSURANCE *(34 thru 39)* | 74,208.00 | 80,942.29 | 84,258.00 | |
| 41. TOTAL O&M EXPENSES *(11+18+33+40)* | 363,866.00 | 330,037.43 | 379,498.80 | |

## PART III—ACCOUNT BUDGETING/STATUS

| | CURRENT BUDGET | ACTUAL | PROPOSED BUDGET | COMMENTS or (YTD) |
|---|---|---|---|---|
| **RESERVE ACCOUNT:** | | | | |
| 1. BEGINNING BALANCE | 151,489.76 | 150,442.18 | 137,929.90 | |
| 2. TRANSFER TO RESERVE | 14,280.00 | 37,536.07 | 14,280.00 | |
| TRANSFER FROM RESERVE | | | | |
| 3. OPERATING DEFICIT | 0.00 | 0.00 | 0.00 | |
| 4. ANNUAL CAPITAL BUDGET *(Part V - Reserve)* | 70,000.00 | 50,048.35 | 800.00 | |
| 5. BUILDING & EQUIPMENT REPAIR | 0.00 | 0.00 | 0.00 | |
| 6. OTHER NON-OPERATING EXPENSES | 0.00 | 0.00 | 0.00 | |
| 7. TOTAL *(3 thru 6)* | ( 70,000.00) | ( 50,048.35) | ( 800.00) | |
| 8. ENDING BALANCE *[(1+2)-7]* | 95,769.76 | 137,929.90 | 151,409.90 | |
| **GENERAL OPERATING ACCOUNT:*** | | | | |
| BEGINNING BALANCE | | 37,531.76 | | |
| ENDING BALANCE | | 17,087.16 | | |
| **REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT:*** | | | | |
| BEGINNING BALANCE | | 14,715.98 | | |
| ENDING BALANCE | | 0.00 | | |
| **TENANT SECURITY DEPOSIT ACCOUNT:*** | | | | |
| BEGINNING BALANCE | | 8,241.35 | | |
| ENDING BALANCE | | 8,535.74 | | |

*(*Complete upon submission of actual expenses.)*

| | | | |
|---|---|---|---|
| NUMBER OF APPLICANTS ON THE WAITING LIST | 0 | RESERVE ACCT. REQ. BALANCE | 53,294.78 |
| NUMBER OF APPLICANTS NEEDING RA | 0 | AMOUNT AHEAD/BEHIND | 97,147.40 |

## PART IV—RENT SCHEDULE AND UTILITY ALLOWANCE

### A. CURRENT APPROVED RENTS/ UTILITY ALLOWANCE

| UNIT DESCRIPTION | | | RENTAL RATES | | | POTENTIAL INCOME FROM EACH RATE | | | |
|---|---|---|---|---|---|---|---|---|---|
| BR SIZE | UNIT TYPE | NUMBER | BASIC | NOTE RATE | HUD | BASIC | NOTE RATE | HUD | UTILITY ALLOWANCE |
| 1.00 | N | 10.00 | 683.00 | 807.00 | 0.00 | 81,960.00 | 96,840.00 | 0.00 | 69.00 |
| 2.00 | N | 31.00 | 722.00 | 860.00 | 0.00 | 268,584.00 | 319,920.00 | 0.00 | 106.00 |
| 3.00 | N | 4.00 | 782.00 | 943.00 | 0.00 | 37,536.00 | 45,264.00 | 0.00 | 156.00 |
| 1.00 | S | 6.00 | 629.00 | 736.00 | 0.00 | 45,288.00 | 52,992.00 | 0.00 | 67.00 |
| 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | | CURRENT RENT TOTALS: | | 433,368.00 | 515,016.00 | 0.00 | |
| | | | | | | BASIC | NOTE | HUD | |

### B. PROPOSED RENTS - Effective Date: 01 / 01 / 2026

| UNIT DESCRIPTION | | | RENTAL RATES | | | POTENTIAL INCOME FROM EACH RATE | | |
|---|---|---|---|---|---|---|---|---|
| BR SIZE | UNIT TYPE | NUMBER | BASIC | NOTE RATE | HUD | BASIC | NOTE RATE | HUD |
| 1 | N | 10.00 | 708.00 | 832.00 | 0.00 | 84,960.00 | 99,840.00 | 0.00 |
| 2 | N | 31.00 | 747.00 | 885.00 | 0.00 | 277,884.00 | 329,220.00 | 0.00 |
| 3 | N | 4.00 | 807.00 | 968.00 | 0.00 | 38,736.00 | 46,464.00 | 0.00 |
| 1 | S | 6.00 | 654.00 | 761.00 | 0.00 | 47,088.00 | 54,792.00 | 0.00 |
| 0 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | | | | PROPOSED RENT TOTALS: | | 448,668.00 | 530,316.00 | 0.00 |
| | | | | | | BASIC | NOTE | HUD |

### C. PROPOSED UTILITY ALLOWANCE - Effective Date: 01 / 01 / 2026

| | | | MONTHLY DOLLAR ALLOWANCES | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| BR SIZE | UNIT TYPE | NUMBER | ELECTRIC | GAS | WATER | SEWER | TRASH | OTHER | TOTAL |
| 1.00 | N | 10.00 | 69.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 69.00 |
| 2.00 | N | 31.00 | 106.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 106.00 |
| 3.00 | N | 4.00 | 156.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 156.00 |
| 1.00 | S | 6.00 | 67.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 67.00 |
| 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 0.00 | | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

NOTE C - MORTGAGES PAYABLE

The mortgages are payable to USDA RD, as detailed below, in monthly installments, including interest. The monthly payments are reduced by payment subsidies under interest credit agreements, which continue as long as the Partnership remains in compliance with the provisions of the loan agreements. The mortgages are collateralized by deeds of trust on the properties of the Partnership and an assignment of all rents, profits and income. Rents received in excess of "basic rents" on a per unit basis are remitted to USDA RD.

| Loan Description | Monthly Payment | Payment Subsidy | Interest Rate | Balance at December 31, 2025 |
|---|---|---|---|---|
| USDA RD | $ 6,086.06 | $ 4,067.35 | 8.50% | $ 192,225.09 |
| USDA RD | 2,987.93 | 1,900.26 | 6.75% | 394,507.89 |
| USDA RD | 882.33 | 598.65 | 7.75% | 99,167.47 |
| | $ 9,956.32 | $ 6,566.26 | | 685,900.45 |
| | | Less current maturities | | 71,255.23 |
| | | | | 614,645.22 |
| | | Less mortgage issuance costs, unamortized | | 9,001.73 |
| | | | | $ 605,643.49 |

Estimated future maturities of the mortgages payable at December 31, 2025 are as follows:

| | |
|---|---|
| 2026 | $ 71,255.23 |
| 2027 | 77,350.64 |
| 2028 | 83,970.51 |
| 2029 | 15,439.03 |
| 2030 | 16,554.00 |
| Thereafter | 421,331.04 |
| | $ 685,900.45 |

Mortgage issuance costs are being amortized to Interest - mortgage issuance costs over the life of the loan. At December 31, 2025 and 2024, accumulated amortization for mortgage issuance costs was $82,126.27 and $81,627.43, respectively.

NOTE D - CONCENTRATIONS, COMMITMENTS AND CONTINGENCIES

The Partnership maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation. Deposit accounts, at times, may exceed federally insured limits.

KNOLLWOOD, A LIMITED PARTNERSHIP
**(A South Carolina Limited Partnership)**
**Schedule of Supplementary Information Required by USDA Rural Development**
**Years Ended December 31, 2025 and 2024**

**Management Fee Calculation**

The management fee is based on a fee per unit occupied by tenants during the month.

| | **2025** | 2024 |
|---|---|---|
| Total Qualified Units (51 * 12 months) | **612** | 612 |
| Less Vacancies | **(1)** | (10) |
| Total Occupied Units | **611** | 602 |
| Fee Per Unit | **$ 86.00** | $ 81.00 |
| | **52,546.00** | 48,762.00 |
| Multi-subsidy fee ($5 per unit per month) | **3,060.00** | 3,060.00 |
| Adjustment | - | 1,417.00 |
| Management fee expense | **$ 55,606.00** | $ 53,239.00 |

**Insurance Coverage**

The Partnership maintains insurance coverage as follows:

| Coverage Type | Coverage Amount |
|---|---|
| Property insurance on building | $ 5,086,760 |
| Comprehensive business liability | $ 1,000,000 |
| Fidelity bond on manager and trustee of funds | $ 1,000,000 |

**Return to Owner**

The allowable return to owner computed per USDA RD guidelines was used by the Partnership as follows:

| | **2025** | 2024 |
|---|---|---|
| Distributions to partners | **$ 6,729.00** | $ 6,729.00 |

**Schedule of Changes in Fixed Assets**

| | Beginning Balance 1/1/2025 | Additions | Disposals | Ending Balance 12/31/2025 |
|---|---|---|---|---|
| Land | $ 42,000.00 | $ - | $ - | $ 42,000.00 |
| Land improvements | 52,983.25 | 74,950.00 | - | 127,933.25 |
| Buildings | 1,477,784.53 | - | - | 1,477,784.53 |
| Furniture and equipment | 88,135.31 | - | - | 88,135.31 |
| Total fixed assets | $ 1,660,903.09 | $ 74,950.00 | $ - | $ 1,735,853.09 |
| Additions and disposals: | | | | |
| Parking Lot | | $ 74,950.00 | $ - | |

| | Accumulated Depreciation | | | |
|---|---|---|---|---|
| | Balance 1/1/2025 | Depreciation | Disposals | Balance 12/31/2025 |
| Accumulated depreciation | $ 1,459,299.06 | $ 21,849.60 | $ - | $ 1,481,148.66 |
| Total net book value | | | | $ 254,704.43 |

**KNOLLWOOD, A LIMITED PARTNERSHIP**
**(A South Carolina Limited Partnership)**
**Schedule of Project Operational and Maintenance Expenses**
**Years Ended December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| Operating and Maintenance: | | |
| Maintenance and repairs, payroll | **$ 34,688.94** | $ 24,877.63 |
| Maintenance and repairs, supply | **4,189.57** | 10,525.45 |
| Maintenance and repairs, contract | **5,152.37** | 13,434.15 |
| Painting | **2,354.82** | 2,655.36 |
| Snow removal | **40.36** | - |
| Grounds | **12,375.00** | 7,530.00 |
| Services | **2,513.00** | 1,420.96 |
| Furniture and furnishing replacement | **10,293.40** | 3,257.08 |
| | **71,607.46** | 63,700.63 |
| Utilities: | | |
| Electricity | **8,875.12** | 8,854.21 |
| Water | **55,309.11** | 50,765.72 |
| Fuel | **247.01** | 224.85 |
| Garbage and trash removal | **16,869.80** | 14,403.28 |
| | **81,301.04** | 74,248.06 |
| Administrative: | | |
| Site manager salary | **37,323.21** | 29,646.87 |
| Management fees | **55,606.00** | 53,239.00 |
| Project professional fees | **5,200.00** | 42.35 |
| Legal expenses | **500.00** | 2,450.00 |
| Advertising | **-** | 3.87 |
| Telephone and answering service | **2,451.85** | 4,141.39 |
| Office supplies | **4,692.17** | 6,688.95 |
| Office furniture and equipment | **55.99** | 633.78 |
| Training expense | **628.77** | 848.35 |
| Health insurance and other employee benefits | **1,053.81** | 2,880.50 |
| Payroll taxes | **5,676.35** | 3,920.79 |
| Workers' compensation | **1,307.67** | 1,664.36 |
| Other administrative expenses | **3,601.89** | 4,986.24 |
| | **118,097.71** | 111,146.45 |
| Taxes and Insurance: | | |
| Real estate taxes | **52,029.55** | 48,190.44 |
| Other taxes, licenses and permits | **-** | 765.32 |
| Property and liability insurance | **35,926.23** | 31,986.53 |
| | **87,955.78** | 80,942.29 |
| | **$ 358,961.99** | $ 330,037.43 |