

May 22, 2025

Kim Wilbourne
LIHTC Manager
SC Housing
300-C Outlet Pointe Boulevard
Columbia, SC 29210

RE: Development Narrative

Dear Ms. Wilbourne:

We are pleased to submit a portfolio application in the 2025 TEB LIHTC round through SC Housing. As required in the 2025 TEB Application Checklist, we would like to submit a development narrative to summarize our projects.

Portfolio Application

Greer Housing Authority (GHA) is partnering with Greenville Housing Fund (Developer) and TFG Housing Resources (HUD Consultant) to redevelop two properties, Victoria Arms and Northgate Manor. Both properties currently operate as Public Housing, managed by GHA. GHA's nonprofit affiliate, Greer Housing Group, is serving as the co-developer. Finally, Moseley Architects and Harkins Builders will round out the development team. We feel our group has the necessary capacity and depth of knowledge to bring these projects to fruition.

The projects will be recapitalized using the Rental Assistance Demonstration (RAD) program. The RAD program allows Public Housing Authorities (PHA's) to recapitalize their projects by converting them to a Section 8 HAP contract. More specifically, GHA plans to utilize the RAD/Section 18 Blend Program that is available to PHA's that have less than 250 public housing units. This program is often utilized by PHA's whose RAD rents are lower than their Section 18 rents.

The Section 18 Program is utilized by PHA's that wish to demolish or dispose of their project. The RAD/Section 18 Program allows PHA's to utilize the benefits of Section 18 without needing to demolish or dispose of their property. Utilizing a blend, a PHA can utilize Section 18 on 90% of project units, while utilizing RAD on the remaining 10% of project units. This is advantageous for GHA whose RAD rents are significantly lower than their Section 18 rents. This allows GHA to be able to finance a significant rehabilitation via a first mortgage, sellers note, and tax credit equity.

The projects are combined for financing purposes and will have one single bond issuance. Thus, we felt it was best that they be submitted as a portfolio application. In compliance with the guidelines set forth by SC Housing, we have prepared separate applications the projects. The ownership entity formed for the properties is GHG Victoria Northgate, LLC.

Northgate Manor

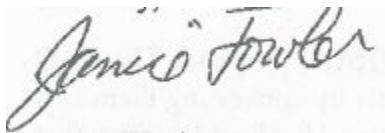
Northgate Manor is located at 220 Biblebrook Drive, Greer, Spartanburg County, SC. The project features a unit mix of 12 one-bedroom, 20 two-bedroom and 14 three-bedroom units in seven buildings. One of the buildings is a non-residential, maintenance structure. The project is general occupancy and will remain so after renovations. As previously mentioned, all units will have project-based subsidy under the RAD/Section 18 blend program. Residents will pay 30% of their income towards rent, regardless of the

unit they are in. The units will be restricted to those at or below 60% of area median income (AMI). The project owner pays for water/sewer/trash utility payments, with the remaining utilities being the responsibility of the resident. Thus, a utility allowance is represented in the operating budget.

Important Notes/Points of Clarification

1. Documenting the rental subsidy is not straightforward for a RAD/Section 18 Small PHA Blend. This is because a CHAP is issued for all project units, rather than 10% of units for the project. To be able to accurately document the anticipated rents for the project, we have attached the following documentation for our submission.
 - A recent notice issued by HUD which affirms GHA's ability to utilize the 90/10 blend.
 - The CHAP issued by HUD.
 - The commitment letter from GHA stating they will issue vouchers under Section 18.
 - A rent reasonableness letter affirming GHA is eligible to issue voucher rents as indicated on their commitment letter.
2. Since the RAD rents are not technically in effect as of June 2025, the rent rolls included will not have rents consistent with what is assumed in our application.
3. The utility allowance amount for Northgate Manor has changed since the CHAP was received. HUD will amend the CHAP later on in the process, but not at this present time. The correct utility allowance is used throughout our application, please ignore the utility allowance listed on the CHAP. Note that utility allowances do not impact RAD rents, only the net rents for Section 18 units. Thus, the adjusted CHAP would not impact the rents being shown on the document.
4. The development team applied for waivers for operating expenses and vacancy rate. They are included with our application.

Sincerely,

A handwritten signature in black ink that reads "Janice Fowler". The signature is written in a cursive, flowing style.

Janice Fowler
President
Greer Housing Group

A handwritten signature in blue ink that reads "Bryan Brown". The signature is written in a cursive, flowing style.

Bryan Brown
President and CEO
Greenville Housing Fund