

RESOLUTION NO. 1315

ADOPTED BY THE BOARD OF COMMISSIONERS OF HOUSING AUTHORITY OF THE CITY OF GREER, SC

A duly noticed regular meeting of the Board of Commissioners of the Housing Authority of the City of Greer, SC (the “Board” and “GHA”) took place on October 3, 2024, at 103 School Street, Greer, SC 29651, at which meeting a quorum was present and acted throughout.

The Board, after consideration and discussion of matters herein, hereby takes the following actions and adopts the following resolutions on behalf of GHA with respect to the 4% Low Income Housing Tax Credit portion of the RAD redevelopment of the GHA properties known as “Victoria Arms” and “Northgate Manor” (the “Redevelopment”):

WHEREAS, GHA received HUD approval to complete a Public Housing conversion of Victoria Arms and Northgate Manor under the Rental Assistance Demonstration program (“RAD”);

WHEREAS, GHA determined that a development partner was needed to assist with the redevelopment efforts and provide the necessary guarantees to finance the projects;

WHEREAS, following a November 11, 2022, Request for Proposals seeking a consultant and development partner to redevelop Victoria Arms and Northgate Manor under the RAD Program, GHA selected Greenville Housing Fund (“GHF”) as the development partner for its RAD redevelopment efforts;

WHEREAS, to finance the Project, GHA and GHF (“Co-Developers”) will submit a competitive 4% Low Income Housing Tax Credit Application to the South Carolina State Housing Finance and Development Authority (“SCSHFDA Application”);

WHEREAS, the Board desires to authorize various GHA commitments and actions that are necessary for completion of the SCSHFDA Application and to authorize Janice Fowler, as Executive Director of GHA (“Fowler”), to enter into, execute and deliver on behalf of GHA all agreements and documents necessary for submission of the SCSHFDA Application;

WHEREAS, a development fee in an amount not to exceed \$30,000 per unit is allowed by SCSHFDA in accordance with its 2024 Qualified Allocation Plan;

WHEREAS, a development fee will be paid to the Co-Developers for the Project in an amount not to exceed \$3,600,000 (the “Development Fee”) in accordance with the Development Agreement in substantially the form attached hereto as Exhibit A;

WHEREAS, in order to assist in the financing of the Project, a portion of the Development Fee not anticipated to exceed 50% of the Development Fee (the “Deferred Amount”) will be

deferred and shall be paid out of the net cash flow of the Project for a period no longer than 15 years (the “Deferred Amount Repayment Terms”);

WHEREAS, GHA’s share of both the Development Fee and the Deferred Amount shall be thirty percent (30%) of the total of each in accordance with Section 4 of the Development Fee Agreement;

WHEREAS, GHA intends to lease the Victoria Arms and Northgate Manor real property to GHG Victoria Northgate, LLC, a newly formed owner entity in which an affiliate of GHA and GHF shall own a membership interest and options and rights of first refusal with to purchase the complete project at the conclusion of the tax credit compliance period;

WHEREAS, insofar as GHG Victoria Northgate, LLC must demonstrate Project site control for purposes of the SCSHFDA Application, GHA desires to grant GHG Victoria Northgate, LLC an option to lease the Victoria Arms and Northgate Manor real property and certain portions of the improvements thereon for 99 years at \$10.00 per year; and

WHEREAS, the Board desires to authorize Fowler to enter into, execute, and deliver the Options to Ground Lease in substantially the form attached hereto as Exhibit B;

NOW, THEREFORE, BE IT RESOLVED that GHA be and hereby is authorized to take the following actions, subject to final review by GHA legal counsel:

1. Enter into a Development Agreement in substantially the form attached hereto as Exhibit A. The Deferred Amount and Deferred Amount Repayment Terms are hereby approved.
2. Enter into Options to Ground Lease the real property at Victoria Arms and Northgate Manor in substantially the form attached hereto as Exhibit B.
3. Commit twenty-four (24) RAD Project Based Vouchers and ninety-six (96) Section 8 Project Based Vouchers to the Project at rents established by the U.S. Department of Housing and Urban Development.

BE IT FURTHER RESOLVED, that Fowler be, and hereby is, authorized, directed, and empowered in the name and on behalf of GHA to do all acts necessary and to execute, perform and deliver all necessary documents in connection with the foregoing resolutions, including all documents, instruments, agreements and other papers as may reasonably be required to carry out its terms and in such form as may be deemed necessary, appropriate, or advisable by Fowler, the execution thereof to be conclusive evidence of such necessity, appropriateness, or advisability.

RECORDING OFFICER'S CERTIFICATION

I, Tommy Williams, the duly appointed Vice Chairman of the Board of Commissioners of Housing Authority of the City of Greer, SC, do hereby certify that this resolution was properly adopted at a duly noticed regular meeting of Board of Commissioners of the Housing Authority of the City of Greer, SC, held on October 3, 2024.



Tommy Williams, VICE CHAIR

ATTEST:



SECRETARY

FOR CLERK USE ONLY

RESOLUTION NO. 1315

DATE ADOPTED: October 3, 2024

EXHIBIT A

DEVELOPMENT FEE AGREEMENT

DEVELOPMENT FEE AGREEMENT
(Victoria Arms and Northgate Manor)

THIS DEVELOPMENT FEE AGREEMENT (the “Agreement”) made effective as of the _____ day of _____, 2024, by and among GHG Victoria Northgate, LLC, a South Carolina limited liability company, with its principal place of business at 103 School Street, Greer, SC 29651, (the “Company”), Greenville Housing Fund, a South Carolina nonprofit corporation, with its principal place of business at 1615-A Wade Hampton Blvd., Greenville, SC 29607 (“GHF”) and the Housing Authority of the City of Greer, SC, a South Carolina public body corporate and politic (“GHA”), with its principal place of business at 103 School Street, Greer, SC 29651 (GHF and GHA, collectively referred to herein as the “Developer”).

W I T N E S S E T H

WHEREAS, the Company has been formed to redevelop, improve, maintain, own, operate, and otherwise deal with an affordable housing project utilizing low-income housing tax credits (the “Tax Credits”) to be known as Victoria Arms and Northgate Manor located in Greer, South Carolina (the “Project”);

WHEREAS, the Company desires to engage the Developer in connection with the Project; and

WHEREAS, each of the parties hereto desires to memorialize the understanding of the parties with respect to the development of the Project;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the Company and the Developer hereby agree as follows:

1. Agreement to Act as Developer. The Company hereby retains the Developer, and the Developer hereby agrees with the Company, to serve as the developer on behalf of the Company with respect to the Project upon the terms and conditions hereinafter set forth.

2. Development Services.

a. The Developer shall oversee the development and construction of the Project and perform the services and carry out the responsibilities with respect to the Project as are set forth herein, and such additional duties and responsibilities as are reasonably within the general scope of such services and responsibilities and are designated from time to time by the Members of the Company on behalf of the Company, including but not limited to:

i. Preparing and submitting to the Company for approval a Project budget (the “Budget”) and Project plans and specifications (the “Plans and Specifications”);

ii. Obtaining construction financing on behalf of the Company in an amount sufficient to fund the construction of the Project pursuant to the Budget and the Plans and Specifications (such financing is referred to hereinafter as the "Financing");

iii. Causing a qualified party to prepare a market study of the area in which the Project is situated to determine the demand for low-income housing in that area;

iv. Causing a qualified party to conduct a Phase I environmental assessment survey of the Project;

v. Negotiating and causing to be executed in the name or on behalf of the Company agreements for architectural, engineering, testing or consulting services for the Project, and any agreements for the construction of any improvement or tenant improvements to be constructed or installed by the Company, or the furnishing of any supplies, materials, machinery or equipment therefor, or any amendments thereof, provided that no agreement shall be executed, nor a binding commitment made, until the terms and conditions thereof and the party with whom the agreement is to be made shall have been approved by the Company, unless the terms, conditions, and parties comply with guidelines issued by the Members concerning such agreements;

vi. Assisting the Company in dealing with neighborhood groups, local organizations, abutters and other parties interested in the Project;

vii. Establishing and implementing appropriate administrative and financial controls for the design and construction of the Project, including but not limited to:

(A) coordination and administration of the Project's architect, the general contractor, and other contractors, professionals and consultants employed in connection with the design or rehabilitation of the Project;

(B) administration of any construction contracts on behalf of the Company;

(C) rendering such advice and assistance as will aid in developing economical, efficient, and desirable design and construction procedures;

(D) rendering of advice and recommendations as to the selection procedures for, and selection of, subcontractors and suppliers;

(E) review and submission to the Company for approval of all requests for payment under any architectural agreement, general contractor's agreement, or loan agreement with any lending institution providing funds for the benefit of the Project;

(F) submission of suggestions or requests for changes which could in any reasonable manner improve the design, efficiency or cost of the Project;

(G) applying for and maintaining in full force and effect any and all governmental permits and approvals required for the lawful construction of the Project;

(H) complying with all terms and conditions applicable to the Company or the Project contained in any governmental permit or approval required or obtained for the lawful construction of the Project, or in any insurance policy affecting or covering the Project;

(I) furnishing such consultation and advice relating to the construction and development of the Project as may be reasonably requested from time to time by the Company;

(J) keeping the Company fully informed on a regular basis of the progress of the design and construction of the Project, including the preparation of such reports and financial documents as are provided for herein or as may reasonably be requested by the Company; and

(K) at the Company's expense, filing on behalf of and for the Company any notices of completion of any improvement(s) and taking such actions as may be required to obtain any certificates of occupancy or equivalent documents required to permit the occupancy of dwelling units and other space in the Project;

viii. Inspecting the progress of the course of construction of the Project, including verification of the materials and labor being furnished to and on such construction so as to be fully competent to approve or disapprove requests for payment made by the architect and the general contractor, or by any other parties with respect to the design and construction of the Project, and in addition to verify that the same is being carried out substantially in accordance with the plans and specifications approved by the Company or, in the event that the same is not being so carried out, to promptly notify the Company;

ix. To the extent requested to do so by the Company, but in any event not less frequently than quarterly, preparing and distributing to the Company a critical path schedule, and periodic updates thereto as necessary to reflect any material changes, other design or construction cost estimates as required by the Company, and financial accounting reports, including monthly progress reports on the quality, progress and cost of construction and recommendations as to the drawing of funds from any loans arranged by the Company to cover the cost of design and construction of the Project;

x. Assisting the Company in obtaining and maintaining insurance coverage for the Project, the Company and its employees during the development phase which insurance shall include general public liability insurance covering claims for personal injury, or property damage, occurring in or upon the Project property or the streets, passageways, curbs and vaults adjoining the property and all insurance typical in similar construction projects. Such insurance shall be in an amount and issued by a carrier approved by the Company;

xi. During the construction and development period of the Project, complying with all applicable present and future laws, ordinances, orders, rules, regulations and requirements (hereinafter "Laws") of all Federal, state and municipal governments, courts, departments, commissions, boards and offices, any national or local Board of Fire Underwriters or Insurance Services Offices having jurisdictions in the county in which the Project is located or any other body exercising functions similar to those of any of the foregoing, or any insurance carriers providing any insurance for the Company or the Project, which may be applicable to the Project or any part thereof. Any such compliance undertaken by the Developer on behalf of and in the name of the Company, in accordance with the provisions of this Agreement, shall be at the Company's expense. The Developer shall likewise ensure that all agreements between the Company and independent contractors comply with all such applicable laws;

xii. Assembling and retaining all contracts, agreements and other records and data as may be necessary to carry out the Developer's functions hereunder. The Developer will prepare, accumulate and furnish to the Members and the appropriate governmental authorities, as necessary, data and information sufficient to identify the market value of improvements in place as of each real property tax lien date, and will make application for appropriate exclusions from the capital costs of the Project for purposes of real property ad valorem taxes;

xiii. Using its best efforts to accomplish the timely completion of the Project in accordance with the approved Plans and Specifications and the time schedules for such completion approved by the Company; and

xiv. Performing and administering any and all other services and responsibilities of the Developer which are set forth in any other provision of this agreement, or which are requested to be performed by the Company and are within the general scope of the services described herein.

b. The Developer's services shall be performed in the name of and on behalf of the Company; provided, however, that if the performance of any duty of the Developer set forth in this Agreement is beyond the reasonable control of the Developer, the Developer shall nonetheless be obligated to (i) use its best efforts to perform such duty, and (ii) promptly notify the Company that the performance of such duty is beyond its reasonable control.

3. [Intentionally Omitted]

4. Development Fee.

a. Subject to the provisions of this Section and in consideration of the performance by the Developer of the services described herein, the Developer shall receive from the Company, as its full and complete compensation for its services in connection with the development of the Project, a fee not to exceed \$3,600,000 (the "Development Fee"), which Development Fee shall be paid by the Company as provided in this Section.

b. The Development Fee will be earned by the Developer as follows:

i. The Developer shall have been deemed to have been earned, as of the date of this Agreement, fifteen percent (15%) of the Development Fee for performing the following services:

(A) Obtaining and analyzing a third-party market study establishing sufficient market demand for the Project;

(B) Obtaining and analyzing an environmental assessment of the Project including past uses of the adjoining properties;

(C) Obtaining an updated geotechnical evaluation of the Project;

(D) Causing the Company to engage an architect to design the Project, negotiation of the architectural contract, and obtaining and reviewing complete design drawings and the Plans and Specifications; and

(E) For assisting the Company in preparing various financial reports for the Project.

ii. Subject to such limitations as may be proposed by the Company's tax credit investor (the "Investor"), the Developer shall earn fifteen percent (15%) upon the closing of the Project construction loan, forty five percent (45%) upon issuance of Certificates of Occupancy, fifteen percent (15%) upon stabilization, and ten percent (10%) upon issuance of the 8609s.

c. Except as otherwise provided herein, the Development Fee shall be paid from capital contributions of the Investor after payment of all third-party Project development costs.

d. Any portion of the Development Fee which is not paid in accordance with subsection (c) above shall be paid to the Developer over a 15-year period from available cash of the Company pursuant to the Company's Operating Agreement.

e. All payments of Development Fee shall be paid, as they are received from the Company, pro rata as follows: seventy percent (70%) to GHF and thirty percent (30%) to GHA.

5. Intentionally Omitted.

6. [Intentionally Omitted]

7. Waiver of Mechanic's Liens. The Developer agrees that no mechanic's lien or materialmen's lien or claim shall be filed or maintained by it against the Project for or on account of any work heretofore or hereafter done or materials heretofore or hereafter furnished by it under this Agreement. The Developer hereby waives and relinquishes all rights to file a mechanic's lien, claim, or notice of intention to file any lien or claim whether or not the right to file a lien or claim arises under a statute, and hereby further agrees to file all necessary and appropriate documents to evidence or record such waiver. The Developer further agrees to have any mechanic's or materialmen's liens which may be filed against the Project released or bonded to the satisfaction of the Company in accordance with the provisions of this Agreement. The Developer shall defend, indemnify, and save harmless the Company and its Partners from the claims, suits, or demands of any person, contractor, subcontractor, materialman, or supplier who shall claim any amount with respect to work performed or materials supplied to the Project beyond the total cost of construction. Concurrent with payment made to the Contractor or to any subcontractors, architects, structural or professional engineers, surveyors or any other parties entitled to file mechanic's liens in the State wherein the Project is located, waivers of liens from such parties shall first be secured by, or caused to be secured by, the Developer. Notwithstanding the foregoing, if the Developer determines that substandard or otherwise unsatisfactory work has been performed or substandard materials used by a contractor, subcontractor, materialman, or supplier, the Developer may withhold payment and permit a lien to be filed against the Project, so long as such action does not result in the Project being seized or the occurrence of a default under a mortgage lien, and bring appropriate legal action against such party, at the sole cost and expense of the Developer.

8. Notice of Default and Cure; Remedies. If the Company determines that the Developer is in default of any representation, warranty or obligation of the Developer under this Agreement, the Company shall notify the Developer of such default in writing. The Developer shall have thirty (30) days from receipt of such notice to cure such default. If such default cannot be cured within such thirty-day period, the Developer shall commence the cure within such period and shall diligently pursue such cure, thereafter, provided the cure is completed within ninety (90) days of receipt of such notice or such lesser period as is necessary to cure such default.

9. Prior Agreements. Both parties acknowledge that the Development Fee provided for herein and the method of payment may be different from the development fee heretofore agreed to by said parties and represent, one to the other, that the Development Fee provided for herein is fair compensation for all services provided and to be provided by the Developer to the Company pursuant to this Agreement or any other agreement between said parties, whether or not superseded by this Agreement.

10. Notices. All notices, consents, waivers, directions, requests or other instruments or communications provided for under this Agreement shall be in writing, signed by the party giving the same, and shall be deemed properly given if sent by express courier service, personal delivery, or by registered or certified United States mail, return receipt requested, postage prepaid and addressed to the parties at their respective addresses set forth on page 1 hereof, or to such other

addresses as the parties may from time to time designate in writing in the manner set forth above.

11. Miscellaneous.

a. This Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns. Neither the Company nor the Developer shall have the right to assign this Agreement to any person or entity without the prior written consent of the other.

b. The descriptive paragraph headings of this Agreement are inserted for convenience only and are not intended to and shall not be construed to limit, enlarge, or affect the scope or intent of this Agreement nor the meaning of any provision hereof.

c. Nothing in this Agreement shall be construed as establishing a Company or joint venture between the Company and the Developer.

d. All representations, warranties, covenants, agreements and indemnification set forth in this Agreement shall survive the completion of the Project.

e. This Agreement may not be modified, amended or revised, except by written instrument signed by each of the parties hereto.

f. This Agreement, and the application or interpretation hereof, shall be governed by and construed in accordance with the laws of the State of South Carolina.

g. The obligations and undertakings of the Developer set forth in this Agreement are made for the benefit of the Company and its members and shall not inure to the benefit of any creditor of the Company other than a member, notwithstanding any pledge or assignment by the Company of this Agreement or any rights hereunder.

h. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SIGNATURE PAGE TO DEVELOPMENT FEE AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first above written.

COMPANY:

GHG VICTORIA NORTHGATE, LLC, a South
Carolina limited liability company

By: GHG VICTORIA NORTHGATE MM, LLC,
a South Carolina limited liability company
Its: Managing Member

By: GREER HOUSING GROUP, a South
Carolina nonprofit corporation
Its: Executive and Managing Member

By: _____
Janice Fowler, President

DEVELOPERS:

HOUSING AUTHORITY OF THE CITY OF
GREER, SC

By: _____
Janice Fowler, Executive Director

GREENVILLE HOUSING FUND

By: _____
Bryan Brown, President and CEO

EXHIBIT B

OPTIONS TO GROUND LEASE

(Victoria Arms and Northgate Manor)

OPTION TO GROUND LEASE

WITNESSETH:

2. Terms and Conditions of the Lease. GHA and Optionee shall negotiate in good faith to finalize the terms and conditions of the Lease no later than the Option Deadline. The Lease shall contain the following basic terms: (a) the Lease shall be for a term of ninety-nine (99) years (the “Term”); (b) the Lease shall permit Optionee to rehabilitate and own the improvements on the Parcels; (c) the Lease shall contain terms that permit financing of the improvements; and (d) the Lease shall contain such terms and conditions as are usual and customary for similar transactions. In the event Optionee shall fail to exercise the option as provided in Section 1 above, and notwithstanding anything contained herein to the contrary, this Option shall terminate, whereupon neither of the parties shall have any further rights, claims or liabilities under this Option.

3. Rent. The rent payable under the Lease shall be \$10.00 per year for the Term to be paid annually on January 1 or as otherwise agreed upon by GHA and Optionee.

4. Time of Essence. Time is of the essence of this option.

5. Notices. Any and all notices, elections, demands or communications permitted or required to be made under this Option shall be in writing, signed by the party giving such notice, and shall be delivered in person or sent by registered or certified mail, to the other party hereto. The date of the personal delivery or the date of the mailing, as the case may be, shall be the date that such notice or election shall be deemed to have been given. For the purpose of this Option:

If to GHA: Housing Authority of the City of Greer, SC
103 School Street
Greer, SC 29651
Attn: Janice Fowler
jfowler@greerha.com

With a copy to: Law Office of Bruce B. (Bo) Campbell, LLC
245 E. Broad Street, Suite A
Greenville, SC 29601
Attn: Bo Campbell
bo@bocampbell-law.com

If to the Optionee: GHG Victoria Northgate, LLC
103 School Street
Greer, SC 29651
Attn: Janice Fowler
jfowler@greerha.com

With a copy to: Greenville Housing Fund
1615-A Wade Hampton Blvd
Greenville, SC 29607
Attention: Bryan Brown
bbrown@greenvillehousingfund.com

and Blanco Tackabery
404 N. Marshall Street
Winston-Salem, NC 27101
Attn: Carolyn Scogin
CWS@blancolaw.com

6. Choice of Law. This Option shall be governed by and construed in accordance with the laws of the State of South Carolina.

7. Successors and Assigns. The covenants and conditions herein contained inure to and bind the heirs, successors, executors, administrators and assigns of the parties hereto; provided, however, the Optionee shall not assign its interest in the Option without the prior written consent of GHA.

8. Counterparts. This Option may be executed in multiple original counterparts, each of which shall constitute an original document binding upon the parties signing the same. It shall not be necessary that all parties sign all counterparts and this Option shall be binding if each party shall have executed at least one counterpart.

9. Recording. This Option may be recorded against the Parcels at the expense of Optionee.

[signature pages follow]

Notary Public for South Carolina
My commission expires: _____

GHG VICTORIA NORTHGATE, LLC, a South
Carolina limited liability company

By: GHG VICTORIA NORTHGATE MM, LLC,
a South Carolina limited liability company
Its: Managing Member

By: GREENVILLE HOUSING FUND, a
South Carolina nonprofit corporation
Its: Managing Member

ACKNOWLEDGMENT

Notary Public for South Carolina
My commission expires: _____

STATE OF SOUTH CAROLINA)

)

ACKNOWLEDGMENT

COUNTY OF GREENVILLE)

)

The foregoing instrument was acknowledged before me this ____ day of October 2024, by Bryan Brown, President and CEO of Greenville Housing Fund, a Managing Member of GHG Victoria Northgate MM, LLC, the managing member of GHG Victoria Northgate, LLC, Optionee.

Notary Public for South Carolina

My commission expires: _____

EXHIBIT A

(Victoria Arms Legal Description)

ALL THAT CERTAIN piece, parcel or lot of land, in the County of Greenville, State of South Carolina, in the City of Greer, being situated at the corner of Victoria and School Streets, Chick Springs Township, and fronting on Victoria Street 259.4 feet, more or less, and on School Street 195.4 feet, more or less, as shown on plat entitled "Property of Greer Housing Authority", prepared by John A. Simmons, dated July 26, 1982, recorded in the RMC Office for Greenville County, in Plat Book 9-A at Page 58, reference to which is hereby craved for a more particular description thereof. It is intended by this Deed to convey to the Grantee herein all of the property which the Grantor herein owns at the southwestern corner of the intersection of Victoria Street and School Street, in the City of Greer, and which was conveyed to Grantor by Deed of B. F. Few dated 1/4/71 and recorded in the RMC Office for Greenville County at Book 906, Page 104.

TMS No. G020000600100

OPTION TO GROUND LEASE

WITNESSETH:

WHEREAS, GHA and Optionee desire to enter into a ground lease of the real property upon which the Apartments are constructed, the same being described in **Exhibit A** attached hereto and incorporated herein by reference (the “Parcels”), the intent being that GHA will convert Apartments from public housing to Project Based Vouchers under HUD’s Rental Assistance Demonstration program, and the Optionee will ground lease and rehabilitate the Apartments using 4% Low Income Housing Tax Credits and multifamily housing revenue bonds.

1. Option. At any time on or before December 31, 2025, as such date may be extended by GHA at the request of Optionee (as so extended, the “Option Deadline”), Optionee shall have the right and option to lease the Parcels pursuant to the terms and conditions contained in a ground lease (“Lease”) to be negotiated between GHA and Optionee or to acquire the Parcels upon such other such terms as GHA and Optionee GHA may agree in writing. Optionee may exercise the option granted herein upon written notice to GHA at any time on or before the Option Deadline.

2. Terms and Conditions of the Lease. GHA and Optionee shall negotiate in good faith to finalize the terms and conditions of the Lease no later than the Option Deadline. The Lease shall contain the following basic terms: (a) the Lease shall be for a term of ninety-nine (99) years (the “Term”); (b) the Lease shall permit Optionee to rehabilitate and own the improvements on the Parcels; (c) the Lease shall contain terms that permit financing of the improvements; and (d) the Lease shall contain such terms and conditions as are usual and customary for similar transactions. In the event Optionee shall fail to exercise the option as provided in Section 1 above, and notwithstanding anything contained herein to the contrary, this Option shall terminate, whereupon neither of the parties shall have any further rights, claims or liabilities under this Option.

3. Rent. The rent payable under the Lease shall be \$10.00 per year for the Term to be paid annually on January 1 or as otherwise agreed upon by GHA and Optionee.

4. Time of Essence. Time is of the essence of this option.

5. Notices. Any and all notices, elections, demands or communications permitted or required to be made under this Option shall be in writing, signed by the party giving such notice, and shall be delivered in person or sent by registered or certified mail, to the other party hereto. The date of the personal delivery or the date of the mailing, as the case may be, shall be the date that such notice or election shall be deemed to have been given. For the purpose of this Option:

If to GHA: Housing Authority of the City of Greer, SC
103 School Street
Greer, SC 29651
Attn: Janice Fowler
jfowler@greerha.com

With a copy to: Law Office of Bruce B. (Bo) Campbell, LLC
245 E. Broad Street, Suite A
Greenville, SC 29601
Attn: Bo Campbell
bo@bocampbell-law.com

If to the Optionee: GHG Victoria Northgate, LLC
103 School Street
Greer, SC 29651
Attn: Janice Fowler
jfowler@greerha.com

With a copy to: Greenville Housing Fund
1615-A Wade Hampton Blvd
Greenville, SC 29607
Attention: Bryan Brown
bbrown@greenvillehousingfund.com

and Blanco Tackabery
404 N. Marshall Street
Winston-Salem, NC 27101
Attn: Carolyn Scogin
CWS@blancolaw.com

6. Choice of Law. This Option shall be governed by and construed in accordance with the laws of the State of South Carolina.

7. Successors and Assigns. The covenants and conditions herein contained inure to and bind the heirs, successors, executors, administrators and assigns of the parties hereto; provided, however, the Optionee shall not assign its interest in the Option without the prior written consent of GHA.

8. Counterparts. This Option may be executed in multiple original counterparts, each of which shall constitute an original document binding upon the parties signing the same. It shall not be necessary that all parties sign all counterparts and this Option shall be binding if each party shall have executed at least one counterpart.

9. Recording. This Option may be recorded against the Parcels at the expense of Optionee.

[signature pages follow]

IN WITNESS WHEREOF, the parties herein have hereunto set their hand and seal the day and year first above written.

Witness:

HOUSING AUTHORITY OF THE CITY OF
GREER, SC

By: _____
Janice Fowler, Executive Director

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this ____ day of October 2024 by Janice Fowler, Executive Director of the Housing Authority of the City of Greer, SC.

Notary Public for South Carolina
My commission expires: _____

GHG VICTORIA NORTHGATE, LLC, a South
Carolina limited liability company

By: GHG VICTORIA NORTHGATE MM, LLC,
a South Carolina limited liability company
Its: Managing Member

By: GREER HOUSING GROUP, a South
Carolina nonprofit corporation
Its: Executive and Managing Member

By: _____
Janice Fowler, President

By: GREENVILLE HOUSING FUND, a
South Carolina nonprofit corporation
Its: Managing Member

By: _____
Bryan Brown, President and CEO

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

The foregoing instrument was acknowledged before me this ____ day of October 2024 by Janice Fowler, President of Greer Housing Group, a Managing Member and the Executive Member of GHG Victoria Northgate MM, LLC, the managing member of GHG Victoria Northgate, LLC, Optionee.

Notary Public for South Carolina
My commission expires: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this ____ day of October 2024, by Bryan Brown, President and CEO of Greenville Housing Fund, a Managing Member of GHG Victoria Northgate MM, LLC, the managing member of GHG Victoria Northgate, LLC, Optionee.

Notary Public for South Carolina
My commission expires: _____

EXHIBIT A

(Northgate Legal Description)

ALL that certain piece, parcel or tract of land, situate, lying and being near the town of Greer, in the County of Spartanburg, State of South Carolina, on the western side of Dobson Road, 5.56 acres as shown on plat entitled "Northgate Manor Apartments", property of Northgate Manor/A Partnership, by Dalton & Neves Company, Engineers, recorded in the R.M.C. Office for Spartanburg County on May 24, 1971, in Plat Book 64, Pages 378-385, and having, according to said plat, the following metes and bounds:

BEGINNING at an iron pin (P.O.B.) on the west right-of-way of Dobson Road which iron pin is S. 17-41 E. 30 feet from the southeastern intersection of the rights-of-way of Dobson Road and Bailey Road, thence, along the tangency of the west right-of-way of Dobson Road S. 17-41 E. 755.14 feet to an iron pin, corner of Northgate Park/A Partnership property, thence along Northgate Park property line S. 72-19 W. 604.75 feet to an iron pin in creek; thence, following the creek as the property line, the traverse being N. 18-45 E. 203.83 feet to an iron pin, thence, continuing along the traverse line of Creek N. 21-44 E. 392.2 feet to an iron pin in creek, thence, leaving creek N. 13-29 E. 217.8 feet to an iron pin, thence, N. 32-29 E. 158.64 feet to an iron pin on the right-of-way of Dobson Road, being the POINT OF BEGINNING.

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