

STATE OF SOUTH CAROLINA :

OPTION AGREEMENT

COUNTY OF CHARLESTON :

THIS OPTION AGREEMENT ("Agreement"), made and entered into as of the 6th day of June 2025 by and between **THE WEST YARD LOFTS LLC.**, a North Carolina Limited Liability Company (hereinafter called "Seller"), and **FITCH IRICK SC LLC**, a South Carolina Limited Liability Company (hereinafter called "Buyer");

W I T N E S S E T H :

That for and in consideration of Ten and No/100 Dollars (\$10.00) (the "Option Money") and other good and valuable considerations paid to Seller by Buyer, the receipt of which is hereby acknowledged, and in further consideration of the mutual promises and conditions expressed below, Seller hereby grants to Buyer, its successors and assigns, the sole and exclusive right to purchase, at the price and subject to the terms, conditions and provisions hereinafter stated, that certain tract, or parcel, of land located at 2375 Noisette Blvd, North Charleston, SC 29405 in Charleston County, South Carolina West Yard Lofts, and being more particularly described on **Exhibit A** attached hereto (the "Property").

NOW, THEREFORE, the parties hereto agree each with the other as follows:

1. Term. This Option shall become effective as of the date set forth above and shall exist and continue through midnight on the 31st day of December, 2026 at which time it will expire (the foregoing time period and any extended term, if any, shall be deemed the "Option Term").

2. Option Money. The Option Money and Additional Option Money, if any, shall be credited against the purchase price of the Property.

3. Exercise of Option. The option herein granted may be exercised only by the giving of written notice of exercise of the Option to Seller by Buyer, which notice shall be in accordance with the provisions of Paragraph 12 hereof, and which may be given at any time within the Option Term.

4. Purchase Price. The Purchase Price for the Property shall be: (i) cash in the amount of \$4,000,000.

5. Closing Date. Closing on the Property shall be no later than December 31st, 2026 or earlier upon no less than five (5) days notice to Seller.

6. Title. At Closing, Seller shall deliver to Buyer indefeasible and marketable fee simple title to the Property, free and clear of any deeds of trust, liens, security interests, encumbrances or other restrictions other than easements currently existing of record. If Buyer's title search and/or title insurance commitment reveals any objectionable title matters (in Buyer's reasonable discretion), Buyer shall have the right to notify Seller in writing of any defect or

condition related to the title insurance commitment that materially affects the title to the Property or the use of the Property as a multi-family residential development. Seller shall have five (5) days after the receipt of such written notice to correct said defects or conditions. If Seller is unable or unwilling to correct such defects or conditions, and unless Buyer elects to purchase the Property with the particular defect or condition uncorrected, Buyer shall have the option to terminate this Agreement and receive a return of the Option Money, regardless of whether the Option has been exercised. If Seller is unable or unwilling to correct such defects within said five (5) days, Buyer shall then have five (5) days in which to notify Seller of the Buyer's election to terminate this Agreement. The failure of the Buyer to give Seller written notice of its election to terminate the Agreement shall constitute a waiver of the condition or defect and shall be deemed an election to purchase the Property with the particular defect or condition uncorrected.

Title shall be conveyed by a general warranty deed in recordable form with all required tax stamps affixed conveying marketable indefeasible, fee simple (in fact, and insurable so to be) title, free and clear of all liens and encumbrances save and except only easements of record as of the date of this Option and exceptions consented to by Buyer as set forth in the foregoing paragraph, ad valorem taxes for the calendar year of Closing (to be prorated on a calendar year basis as of the Closing Date), and such state of facts as is revealed by a current and accurate survey of the Property which reveals items arising after the date of this Option. Except as consented to by Buyer, Seller shall do nothing which impairs such title to the Property as Seller now owns during the Option Term.

7. Closing Costs. At closing Seller shall pay the cost of the deed preparation, the excise tax stamps to be placed on the deed, if any, all State and Local Grantor tax, any instruments which may be required to clear the title of any prior liens, and any counsel fees for counsel employed or retained by Seller. Buyer shall pay for title examination, title policy, surveys, recording fees, and for any counsel fees Buyer incurs in the transaction.

8. Inspection. Seller does hereby agree to provide access to Buyer and its engineers and agents to the Property for purposes of undertaking such surveys, inspections or such other tests and analyses as Buyer may deem necessary and appropriate. Seller consents to Buyer applying for any zoning and/or land use permits, applying for a reservation of housing tax credits from the SCHFDA, determining the permits, approvals and licenses necessary for its use of the Property, performing tests and audits at the Property, securing any approvals from the State of South Carolina and local municipalities that Buyer determines necessary, and conducting a survey of the Property. Seller shall cooperate with Buyer in any applications it files for zoning and/or land use permits; securing of approvals, licenses and permits; surveying the Property; obtaining title insurance; conducting tests and audits; and inspecting the property. All expenses associated with the inspection of the property shall be paid for by Buyer. Buyer does hereby agree to indemnify and hold Seller harmless from any loss or liability that may occur as a result of such inspection activity that may be undertaken by Buyer, its engineers or agents.

9. Condemnation. If prior to Closing all or any portion of the Property is taken by eminent domain, Buyer may at its option close on the Property, or may terminate this Option Agreement and receive a return of the Option Money. If Buyer elects to close, then Seller shall assign to Buyer the entire proceeds resulting from such taking and Buyer shall be entitled to pursue the claim and retain all it is able to collect for such taking.

10. Closing Documents. At Closing Seller will execute, acknowledge and deliver to Buyer a general warranty deed with tax stamps affixed conveying title as hereinbefore required, will deliver such lien waiver or affidavit as Buyer's title insurer may require to insure against any possible unfiled and unpaid laborer's or materialmen's liens, together with such other papers and documents as may be reasonably necessary in connection with the completion of the closing.

11. Possession. Subject to the rights of residential tenants on the Property, possession of the Property shall be delivered to Buyer at the time of Closing.

12. Notices. Any notice or other communications hereunder shall be in writing and shall be deemed to have been given (unless otherwise set forth herein), if delivered in person, delivered by facsimile, delivered by email, deposited with an overnight express agency, fees prepaid, or mailed by United States express, certified or registered mail, postage prepaid, return receipt requested, to the appropriate party at the following addresses:

Seller:

The West Yard Lofts LLC
c/o Ira M. Slomka
1515 Mockingbird Lane, Suite 1010
Charlotte, NC 28200
Email: Ira@fitchirick.com

Buyer:

Fitch Irick SC LLC
c/o James M. Bernstein.
1515 Mockingbird Lane, Suite 1010
Charlotte, NC 28209
Email: jay@fitchirick.com

13. Representations of Seller. Seller represents and warrants to Buyer that, to the best of the knowledge of Seller, the following:

a. There is not now, nor has there ever been located in, on, or about the Property any pollutants, contaminants, gas or petroleum products, or other hazardous or toxic materials, the presence of which is either penalized or prohibited or removal required by any local, state, or federal government instrumentality or by applicable laws, statutes, or regulations. The parties acknowledge that Buyer, as a part of its due diligence, may obtain a Phase I Environmental Audit, at the Buyer's sole cost and expense, to determine the environmental condition of the Property. If an environmental condition occurs which adversely affects the Property between the time of the initial Phase I and any Phase I update, then Buyer shall have the right to terminate this Agreement and receive a refund of all Option Money, regardless of whether the Option has been exercised.

b. The Option has been duly executed and delivered by Seller, constitutes the valid and binding agreement of Seller, and is enforceable in accordance with its terms.

c. There is no action, suit, or proceeding, pending or known to be threatened, against

Seller, the Property or which would affect the Property.

d. Seller has not filed a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency or bankruptcy law.

e. Seller has fee simple title to the Property, has the exclusive right of possession of the Property and there are no leases affecting the Property except leases to residential tenants of the Property.

f. Seller has not entered into any agreement, oral or written, other than this Agreement, with reference to the Property.

g. Seller has not received any notice from any city, county or other governmental authority of any taking of the Property, or any portion thereof, by eminent domain or similar proceeding, and no such taking or other condemnation of the Property, or any portion thereof, shall be threatened or contemplated by any governmental authority.

h. Seller has no knowledge of any change or proposed change in the route, grade or width of or otherwise affecting, any street or road adjacent to or serving the Property.

14. Entire Agreement. This Agreement and any exhibits hereto and other documents incorporated or referred to herein, contains the entire Agreement of the parties and there are no representations, inducements or other provisions other than those expressed in writing. All changes, additions or deletions hereto must be in writing and signed by all the parties. Any and all references herein to the Seller or Buyer shall be deemed to include their respective successors, heirs or permitted assigns.

15. Assignment. The rights of Buyer hereunder shall be assignable.

16. Default. Should Buyer default under this Option and if and such default is not cured within ten (10) days of written notice from Seller to Buyer (or such additional period of time as shall be necessary to effect a cure provided Buyer is proceeding in good faith with a cure), there shall be deemed an event of default hereunder by Buyer. For any event of default by Buyer hereunder, Seller shall retain the Option Money as its sole and exclusive remedy.

In the event Seller shall default hereunder, Buyer may either elect to (i) terminate this Option and receive a return of the Option Money or (ii) seek specific performance of Seller's obligation to convey title to the Property to Buyer in accordance herewith.

17. Situs. This Agreement shall be governed in all respects by and construed under the laws of the State of South Carolina.

18. Memorandum. On request of Buyer, Seller agrees to execute a memorandum of this Agreement in recordable form, setting forth in general terms the rights granted to Buyer hereunder.

IN WITNESS WHEREOF, Seller and Buyer, intending to be legally bound, have executed this Agreement as of the day and year first above written.

BUYER:

Fitch Irick SC LLC

By: 
James M Bernstein, Manager

SELLER:

The West Yard Lofts LLC

By: 
Ira M. Slomka, Manager

Exhibit A

