#2379 **Adopted 3/24/26**

AN ORDINANCE

AUTHORIZING THE EXECUTION AND DELIVERY OF A SPECIAL SOURCE CREDIT AGREEMENT BY AND BETWEEN CHARLESTON COUNTY, SOUTH CAROLINA AND MAC HAYNE STEET LLC, WITH RESPECT TO CERTAIN ECONOMIC DEVELOPMENT PROPERTY IN THE COUNTY, WHEREBY SUCH PROPERTY WILL RECEIVE CERTAIN SPECIAL SOURCE CREDITS; AND OTHER MATTERS RELATED THERETO

WHEREAS, Charleston County, South Carolina (the "County") is authorized by Article VIII, Section 13 of the South Carolina Constitution and Title 4, Chapter 1, Code of Laws of South Carolina 1976, as amended (the "Multi-County Park Act"), to enter into agreements with one or more contiguous counties for the creation and operation of joint county industrial and business parks (each, a "Park"), all property having a situs therein being exempt from *ad valorem* taxation such that the owners and lessees of any property situated in such Parks shall make payments in-lieu-of *ad valorem* taxes (***"***Fee Payments***"***) in an amount equivalent to the property taxes or other in-lieu-of payments that would have been due and payable but for the location of such property in such a Park; and

WHEREAS, the County is authorized by Section 4-1-175 of the Multi-County Park Act to provide infrastructure credits against payments in lieu of taxes to provide reimbursement to companies in respect of investment in infrastructure enhancing the economic development of the County, including improvements to real estate and personal property including machinery and equipment used in the operation of a manufacturing or commercial enterprise, within the meaning of Section 4-29-68, Code of Laws of South Carolina 1976, as amended ("Infrastructure"); and

WHEREAS, the County Council of Charleston County ("County Council") has agreed to assist MAC HAYNE STREET LLC, a South Carolina limited liability company (the "Company"), in the establishment by the Company of a rental multifamily real estate development in Charleston County (the "Project") by (i) maintaining the Company in a joint county industrial and business park established by the County with an adjoining South Carolina county pursuant to Article VIII, Section 13 of the South Carolina Constitution and Section 4-1-170 of the Multi-County Park Act (a "Park") and (ii) pursuant to the Section 4-1-175 of the Multi-County Park Act, providing for certain infrastructure credits against payments in lieu of taxes by the Company from and with respect to the Project in qualified Infrastructure used in the establishment and operation of the Project; and

WHEREAS, the Company has represented that its combined aggregate investment in the Project by the last day of the year following obtainment of its certificate of occupancy is expected to be at least $32,500,000.00; and

WHEREAS, pursuant to Article VIII, Section 13 of the South Carolina Constitution and Section 4-1-170 of the Multi-County Park Act, the County has previously entered into or will enter into an agreement with an adjoining South Carolina county adding the Project to a Park, and pursuant to such agreement, the Company will be obligated to make or cause to be made payments in lieu of taxes in the total amount equivalent to the ad valorem property taxes that would have been due and payable but for the location of the Project within the Park; and

WHEREAS, the County Council has found and determined that, through the exercise of the foregoing powers it will be able to incentivize the development of affordable and workforce housing in the County so that there exists sufficient housing for workforce to allow location of new and the expansion of existing industrial and commercial businesses in the County, and through such development the economic development of the County and the State of South Carolina (the ***"***State***"***) will be promoted and trade developed by inducing commercial enterprises to locate or remain in the State, thus utilizing and employing the manpower, products and resources of the State and benefiting the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, the County Council has agreed, pursuant to Section 4-1-175 of the Multi-County Park Act, to provide infrastructure credit financing of the Infrastructure with respect to the Project by providing a credit to the Company against payments in lieu of taxes for the Project in the Park (the "FILOT Payments") for a period of fifteen (15) consecutive years, beginning with the FILOT Payment to be first payable on or before the January 15 immediately following the year immediately following the first year in which any portion of the Project is first placed in service for the Project in the Park, all subject to the Company meeting the investment set forth herein, and all as set forth more fully in the Special Source Credit Agreement between the County and the Company presented to this meeting (the "SSC Agreement"); and

WHEREAS, the County has determined and found, on the basis of representations of the Company, that the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and, that the Project gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either; that the purposes to be accomplished by the Project, i.e., economic development, retention of jobs, and addition to the tax base of the County, are proper governmental and public purposes;

WHEREAS, it appears that the SSC Agreement above referred to, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered or approved by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED, by the County Council of Charleston County, in meeting duly assembled, as follows:

Section 1. The County Administrator, for and on behalf of the County, is hereby authorized to execute and deliver the SSC Agreement, in substantially the form attached hereto, or with such minor changes as are not materially adverse to the County and as such officials shall determine and as are not inconsistent with the matters contained herein, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the SSC Agreement now before this meeting, and are directed to do anything otherwise necessary to effect the execution and delivery of the SSC Agreement and the performance of all obligations of the County under and pursuant to the SSC Agreement.

Section 2. The provisions of this ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 3. All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This ordinance shall take effect and be in full force from and after its passage by the County Council.

ENACTED in meeting duly assembled this 24th day of March 2026.

CHARLESTON COUNTY, SOUTH CAROLINA

(SEAL)

By:____________________________________
Joseph A. Boykin
Chairman of County Council

ATTEST:

By: ____________________________________
Clerk to County Council
Charleston County, South Carolina

First Reading:	February 10, 2026
Second Reading:	February 24, 2026
Third Reading:	March 24, 2026
Public Hearing:	March 24, 2026

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

I, the undersigned Clerk to County Council of Charleston County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received unanimous approval, by the County Council at its meetings of ______________________________ at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council.

____
Clerk, County Council of Charleston County

Dated:___________, 2026

SPECIAL SOURCE CREDIT AGREEMENT

between

CHARLESTON COUNTY, SOUTH CAROLINA,

and

MAC HAYNE STREET LLC
a SOUTH CAROLINA limited liability company

Dated as of___________, 2026

Company Name:	**MAC Hayne Street, LLC**	**Project Name:**	**The Cordelia on Rivers**
Projected Investment:	**$32,500,000**	**Ordinance No./Date:**	
Projected Total Housing Units:	**129**		
Projected Workforce/Affordable Housing Units:	**53**		
Location (street):	**2115 Hayne Street N. Charleston, SC 29406**	**Tax Map No.:**	**4781100031, 4781100025, 4781100026**
1. Project Requirements			
Required Investment:	$32,500,000		
Investment Period:	5 years		
Workforce/Affordable Housing Units as Percentage of Total:	41%		
Mix of AMI Tiers as Percentage of Workforce/Affordable Housing Units:	60% AMI Housing Units: 80% AMI Housing Units:	40% 60%	
2. MCIP			
Included in an MCIP:	YES		
If yes, Name & Date:	TBD		
3. Special Source Credits			
Annual Percentage:	Varies: 92% abatement on improvements in years 1, 2 & 3. Abatement reduces to 70% in year 4 with phased reduction years 4-15.		
No. of Years	15 years; Credit Period does not commence until at least $32,500,000 has been invested in Costs of Infrastructure. See Section [3.02(a)].		
Clawback information:	Failure to invest at least $32,500,000 in Costs of Infrastructure during the Investment Period results in prospective loss of the Special Source Credits. Failure to continuously satisfy the Affordable Housing Requirements results in retroactive and prospective loss of the Special Source Credits. See Section [3.02(e)].		
4. Revenues Summary	$269,978 annual average fee payment, or $2,093/unit annually. FILOT/Savings split is 52% (FILOT)/48% (Savings). Total projected FILOT to all taxing jurisdictions: $4,051,157. Total County portion of FILOT: $537,292. This reflects a locked millage of 307.6 and an estimated appraisal value of $30,610,00. Proposed structure represents a 28x multiple of existing taxes.		
5. Other information	MAC Hayne Street, LLC is a wholly owned subsidiary of Mid-Atlantic Capital Partners. Mid Atlantic has completed 3		

	comparable projects in SC and one in FL. But for the proposed incentive, the project would not go forward as the developer's return metrics, including cash-on-cash return, yield on cost, and internal rate of return (IRR), are at or just below typical market expectations under the proposed incentive.

SPECIAL SOURCE CREDIT AGREEMENT

THIS SPECIAL SOURCE CREDIT AGREEMENT, dated as of___________, 2026 (the "Agreement"), between **CHARLESTON COUNTY, SOUTH CAROLINA**, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), and **MAC HAYNE STREET LLC**, a South Carolina limited liability company (the "Company" and together with the County, the "Parties").

W I T N E S S E T H :

WHEREAS, the County, acting by and through its County Council (the "County Council") is authorized by Section 4-1-175 of the Code of Laws of South Carolina 1976, as amended (the "Infrastructure Credit Act"), to provide infrastructure credit financing, secured by and payable solely from revenues of the County derived from payments in lieu of taxes pursuant to Article VIII, Section 13 of the South Carolina Constitution, for the purpose of defraying the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County and for improved and unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County, all within the meaning of Section 4-29-68 of the Code of Laws of South Carolina 1976, as amended (the "Infrastructure"); and

WHEREAS, the Company will operate the Project (as defined below) on the land in the County described in Exhibit A hereto, owned by the Company (the "Land"); and

WHEREAS, the Company has represented that they intend to invest in the acquisition, construction and installation of buildings, improvements, fixtures, furnishings and other real and/or tangible personal property to constitute a MULTIFAMILY RENTAL APARTMENT development in the County (the "Project"), which will result in an expected aggregate investment of at least $32,500,000.00 by December 31, of the fifth (5th) year after the year in which any portion of the Project is first placed in service (the "Investment Period"); and

WHEREAS, the County and the Company agree that the Project shall provide for a certain number of affordable (income restricted) residential units to tenants at each level of the area median household income ("AMI") in the Charleston-North Charleston, SC Metropolitan Statistical Area for the tax abatement term of fifteen (15) years; and

WHEREAS, the County and Colleton County have established a joint county industrial and business park (the "Park") by entering into an Agreement for Development for Joint County Industrial/Business Park (the "Park Agreement"), pursuant to the provisions of Article VIII, Section 13 of the South Carolina Constitution and Title 4, Chapter 1 Code of Laws of South Carolina 1976 (collectively, the "Multi-County Park Act"), as amended, and will designate the Land as being included within the Park, and the County desires to cause the Park to continue to be located in the Park or such other multi-county industrial and business park so as to afford the Company the benefits of the Infrastructure Credit Act as provided herein; and

WHEREAS, pursuant to the provisions of the Park Agreement, the Company is obligated to make or cause to be made payments in lieu of taxes in the total amount equivalent to the *ad* *valorem* property taxes, or, if applicable, any negotiated payments in lieu of taxes pursuant to the Code of Laws of South Carolina 1976, as amended, including Title 4, Chapter 29 thereof (the "FILOT Act"), that would have been due and payable but for the location of the Project within the Park; and

WHEREAS, pursuant to the Infrastructure Credit Act, the County has agreed to provide certain credits to the Company in respect of the Company's investment in the Infrastructure with respect to the Project, and is delivering this Agreement in furtherance thereof; and

WHEREAS, the County Council has duly authorized execution and delivery of this Agreement by ordinance duly enacted by the County Council on ____________, 2026, following conducting a public hearing on ______________, 2026;

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, the County and the Company agree as follows:

ARTICLE I DEFINITIONS

The terms defined in this Article I shall for all purposes of this Agreement have the meanings herein specified, unless the context clearly otherwise requires. Except where the context otherwise requires, words importing the singular number shall include the plural number and *vice versa*.

"60% AMI Housing Unit" means a dwelling unit within the Project that is occupied by or reserved for rent by a resident with an annual household income that is less than or equal to sixty percent (60%) of the AMI and that has an annualized rental rate that does not exceed thirty percent (30%) of the income amount which is equal to sixty percent (60%) of the AMI. A unit which initially qualifies as a 60% AMI Housing Unit based on a tenant's income as certified at the time of execution of the lease shall not cease being considered a 60% AMI Housing Unit solely due to an increase in such tenant's income during the term of the lease, and shall continue to be considered a 60% AMI Housing Unit for subsequent lease renewals despite such tenant's income being higher than permitted for a 60% AMI Housing Unit provided such tenant's income is recertified at the time of each renewal and does not exceed as of the date of recertification one hundred forty percent (140%) of the income level which is then equal to sixty percent (60%) of the AMI.

"80% AMI Housing Unit" means a dwelling unit within a Project that is occupied by or reserved for rent by a resident with an annual household income that is less than or equal to 80% of the AMI and that has an annualized rental rate that does not exceed thirty percent (30%) of the income amount which is equal to eighty percent (80%) of the AMI. A unit which initially qualifies as a 80% AMI Housing Unit based on a tenant's income as certified at the time of execution of the lease shall not cease being considered a 80% AMI Housing Unit solely due to an increase in such tenant's income during the term of the lease, and shall continue to be considered a 80% AMI Housing Unit for subsequent lease renewals despite such tenant's income being higher than permitted for a 80% AMI Housing Unit provided such tenant's income is recertified at the time of each renewal and does not exceed as of the date of recertification one hundred forty percent (140%) of the income level which is then equal to eighty percent (80%) of the AMI.

"*Affiliate*" means any person or entity which directly or indirectly, or through one or more intermediaries, is under Common Control with the company.

"Agreement" shall mean this Agreement, as the same may be amended, modified or supplemented in accordance with the terms hereof.

"*AMI*" means, for any year for which a calculation is made, the most recently reported annual median household for the Charleston-North Charleston Metropolitan Statistical Area as reported by the United States Census Bureau, the South Carolina Revenue and Fiscal Affairs Office, or any other reputable reporting agency or entity that is acceptable to the County.

"Code" shall mean the Code of Laws of South Carolina 1976, as amended.

"Company" shall have the meaning set forth with respect to such term in the recitals to this Agreement.

"*Common Control*" means the ownership of a majority of the legal and beneficial interest in an entity, as the case may be, or the ability to direct the management, affairs and operations thereof, or both.

"*Controlling Interest*" means, with respect to the Project, the sale, conveyance, assignment, or other transfer of fifty percent (50%) or more of the fee title and/or leasehold interest in and to the Project.

"Cost of the Infrastructure" shall mean to extent permitted by law, the cost of acquiring, by construction and purchase, the Infrastructure and shall be deemed to include, whether incurred prior to or after the date of this Agreement: (a) obligations incurred for labor, materials, and other expenses to builders and materialmen in connection with the acquisition, construction, and installation of the Infrastructure; (b) the cost of design and engineering of the Infrastructure; (c) the cost of construction bonds and of insurance of all kinds that may be required or necessary during the course of construction and installation of the Infrastructure, which is not paid by the contractor or contractors or otherwise provided for; (d) the expenses for test borings, surveys, test and pilot operations, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or reasonably necessary in connection with the acquisition, construction, and installation of the Infrastructure; (e) all other costs which shall be required under the terms of any contract for the acquisition, construction, and installation of the Infrastructure; and (f) all legal, accounting and related costs properly capitalizable to the cost of the Infrastructure.

"County" shall mean Charleston County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina and its successors and assigns.

"Fee Payments" shall mean the payments in lieu of taxes made by the Company with respect to the Project by virtue of the Project's location in (a) the Park or (b) in any joint county industrial park created by the County and a partner county pursuant to the Park Agreement qualifying under Section 4-1-170 of the Multi-County Park Act or any successor provision.

"FILOT Act" shall mean Title 4, Section 29, of the Code.

"Infrastructure" shall mean infrastructure serving the County and improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of the Project, within the meaning of Section 4-29-68 of the Code.

“Infrastructure Credit Act” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Infrastructure Credits” shall mean the credits to the Fee Payments in respect of the Company’s investment in Cost of the Infrastructure set forth in Section 3.02(a) hereof.

“Investment Period” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Investment Target” shall mean the investment by the Company of at least $32,500,000 in the Project.

“Land” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Multi-County Park Act” shall mean Title 4, Chapter 1 of the Code, and all future acts amendatory thereto.

“Ordinance” shall mean the ordinance enacted by the County Council on <ENTER DATE>, authorizing the execution and delivery of this Agreement.

“Park Agreement” shall mean the Agreement for Development for Joint County Industrial/Business Park dated as of December 21, 2023, between the County and Colleton County, South Carolina, as the same may be further amended or supplemented from time to time or such other agreement as the County may enter with respect to the Project to offer the benefits of the Infrastructure Credit Act to the Company hereunder.

“Park” shall mean (i) the joint county industrial park established pursuant to the terms of the Park Agreement and (ii) any joint county industrial park created pursuant to a successor park agreement delivered by the County and a partner county in accordance with Section 4-1-170 of the Act, or any successor provision, with respect to the Project.

“Person” shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, or a government or political subdivision.

“Project” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“*Workforce/Affordable Housing Requirements*” shall mean the requirements set forth in Section 2.04 herein with respect to the 80% AMI Housing Units and 60% AMI Housing Units comprising part of the Project.

ARTICLE II REPRESENTATIONS AND WARRANTIES

SECTION 2.01. Representations and Covenants by the Company. The Company makes the following representations, warranties and covenants as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of South Carolina and qualified to do business in the State of South Carolina, has power to enter into this Agreement and to carry out its obligations hereunder, and by proper corporate action has been duly authorized to execute and deliver this Agreement.

(b) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, will result in a material breach of any of the terms, conditions, or provisions of any corporate restriction or any agreement or instrument to which the Company is now a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever upon any of the property or assets of the Company, other than as may be created or permitted by this Agreement.

(c) The Company shall use commercially reasonable efforts to cause the Investment Target to be achieved during the Investment Period.

(d) To the best knowledge of the Company, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, or before or by any court, public body, or public board which is pending or threatened challenging the power of the Company to enter into the transactions contemplated hereby or wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or would affect the validity, or adversely affect the enforceability, of this Agreement, or any other agreement or instrument to which the Company is a party and which is to be used in connection with or is contemplated by this Agreement, nor to the best of the knowledge of the Company is there any basis therefor.

(e) The Company agrees to reimburse the County for all reasonable expenses, including
$3,000.00 of attorney's fees, to which it might be put in the review of this Agreement and in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions.

(f) The Company agrees to maintain such books and records with respect to the Project as will permit verification of the Company's compliance with the terms of this Agreement and the certifications submitted to the County pursuant to Section 3.02(c) hereof. The Company may, by clear, written designation, conspicuously marked, designate with respect to any book and records delivered or made available to the County segments thereof that the Company believes contain proprietary, confidential, or trade secret matters. The County shall comply with all reasonable, written requests made by the Company with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County shall not release information which has been designated as confidential or proprietary by the Company.

(g) The Company agrees to maintain and share with the County upon the County's request its data indicating the Project's performance as it relates to the 80% and 60% AMI Housing Units which comprise a portion of the Project, including but not limited to rent rolls and financial performance related to such units, income criteria, etc. The County shall comply with all reasonable, written requests made by the Company with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County shall not release information which has been designated as confidential or proprietary by the Company.

SECTION 2.02. Representations by the County. The County makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State of South Carolina and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the County Council, the County has been duly authorized to execute and deliver this Agreement and any and all agreements collateral thereto.

(b) The County proposes to provide the Infrastructure Credits to reimburse the Company for a portion of the Cost of the Infrastructure for the purpose of promoting economic development of the County.

(c) To the best knowledge of the undersigned representatives of the County, the County is not in violation of any of the provisions of the laws of the State of South Carolina, where any such default would affect the validity or enforceability of this Agreement.

(d) To the best knowledge of the undersigned representatives of the County, the authorization, execution and delivery of this Agreement, the enactment of the Ordinance, and performance of the transactions contemplated hereby and thereby do not and will not, to the best knowledge of the County, conflict with, or result in the violation or breach of, or constitute a default or require any consent under, or create any lien, charge or encumbrance under the provisions of (i) the Constitution of the State or any law, rule, or regulation of any governmental authority, (ii) any agreement to which the County is a party, or (iii) any judgment, order, or decree to which the County is a party or by which it is bound.

(e) To the best knowledge of the undersigned representatives of the County, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, or before or by any court, public body, or public board which is pending or threatened challenging the creation, organization or existence of the County or its governing body or the power of the County to enter into the transactions contemplated hereby or wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or would affect the validity, or adversely affect the enforceability, of this Agreement, or any other agreement or instrument to which the County is a party and which is to be used in connection with or is contemplated by this Agreement, nor to the best of the knowledge of the undersigned representatives of the County is there any basis therefor.

SECTION 2.03. Covenants of the County.

(a) To the best of its ability, the County will at all times maintain its corporate existence and will use its best efforts to maintain, preserve, and renew all its rights, powers and privileges; and it will comply with all valid acts, rules, regulations, orders, and directions of any legislative, executive, administrative, or judicial body applicable to this Agreement.

(b) In the event of any termination of the Park Agreement, the County agrees to use its best reasonable efforts to cause the Project, at the Company's expense, pursuant to Section 4-1-170 of the Act or any successor provision, to be included in a duly authorized, executed and delivered successor joint county industrial park agreement with an adjoining South Carolina county, which successor agreement shall contain a termination date occurring no earlier than the final year as to which any Infrastructure Credit shall be payable under this Agreement.

(c) The County covenants that it will from time to time, at the request and expense of the Company, execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the purpose of this Agreement; provided, however, that such instruments or actions shall never create or constitute a general obligation or an indebtedness of the County within the meaning of any State constitutional provision (other than the provisions of Article X, Section 14(10) of the South Carolina Constitution) or statutory limitation and shall never constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power or pledge the full faith, credit or taxing power of the State, or any other political subdivision of the State.

SECTION 2.04. The Company makes the following guarantees and covenants as to the composition of the Project:

(a) The Company agrees that the Project shall consist of approximately 129 multifamily apartment rental of units. Twenty-five percent (25%) of the residential units shall be made available as 80% AMI Housing Units, which shall be blended into the Project and shall be of the same quality and size as the market rate units. Sixteen percent (16%) of the residential units shall be made available as 60% AMI Housing Units, which shall be blended into the Project and shall be of the same quality and size as the market rate units. 80% AMI Housing Units and 60% Housing Units shall be made available for lease only to tenants whose incomes are at or below eighty percent (80%) and sixty percent (60%), as applicable, of AMI for the tax abatement term of fifteen (15) years. Rents for affordable units may increase from calendar year to calendar year throughout the term hereof at the rate of the greater of two percent (2%) or five percent (5%) AMI.

(b) The Company covenants and agrees to operate the Project in a manner that at all times complies with and satisfies the Workforce Housing Requirements.

ARTICLE III FEE PAYMENTS;

INFRASTRUCTURE CREDITS

SECTION 3.01 FILOT Payments

(a) Pursuant to the FILOT Act, the Company is required to make payments in lieu of *ad valorem* taxes to the County with respect to the Project. Inasmuch as the Company anticipates an initial investment of sums sufficient for the Project to qualify for a fee in lieu of tax arrangement under the FILOT Act, the County and the Company have negotiated the amount of the Fee Payments in accordance therewith. The Company and any Sponsor Affiliates, as applicable, shall make payments in lieu of *ad valorem* taxes on all Project which comprises the Project and is placed in service, as follows: the Company and any Sponsor Affiliates, as applicable, shall make payments in lieu of *ad valorem* taxes during the Exemption Period with respect to the Project or, if there are Phases of the Project, with respect to each Phase of the Project, said payments to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for *ad valorem* taxes. The determination of the amount of such annual Fee Payments shall be in accordance with the following procedure (subject, in any event, to the procedures required by the FILOT Act):

Step 1: Determine the fair market value of the Project (or Phase of the Project) placed in service during the Exemption Period by using its fair market value for ad valorem property taxes as determined by appraisal as if such property were not subject to the fee. The fair market value of the real property for the first year of the Exemption Period remains the fair market value of the real property and Improvements for the life of the Exemption Period. The determination of these values shall take into account all applicable property tax exemptions that State law would allow to the Company and any Sponsor Affiliates if the property were taxable, except those exemptions that Section 12-44-50(A)(2) of the FILOT Act specifically disallows.

Step 2: Apply an assessment ratio of six percent (6%) to the fair market value in Step 1 to establish the assessed value of the Project (or each Phase of the Project) in the year it is placed in service and in each of the 14 years thereafter or such longer period of years in which the FILOT Act and this Fee Agreement permit the Company and any Sponsor Affiliates to make annual Fee Payments.

Step 3: Use a millage rate of **307.6** mills for the term of the Exemption Period.

(b) In the event that a final order of a court of competent jurisdiction from which no further appeal is allowable declares the FILOT Act and/or the herein-described Fee Payments invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions to reform such payments so as to effectuate most closely the intent thereof (without increasing the amount of incentives being afforded herein) and so as to afford the Company and any Sponsor Affiliates with the benefits to be derived herefrom, the intention of the County being to offer the Company and such Sponsor Affiliates a strong inducement to locate the Project in the County. If the Project is deemed to be subject to *ad valorem* taxation, this Fee Agreement shall terminate, and the Company and any Sponsor Affiliates shall pay the County regular *ad valorem* taxes from the date of termination, but with appropriate reductions equivalent to all tax exemptions which are afforded to the Company and such Sponsor Affiliates. Any amount determined to be due and owing to the County from the Company and such Sponsor Affiliates, with respect to a year or years for which the Company or such Sponsor Affiliates previously remitted Fee Payments to the County hereunder, shall (i) take into account all applicable tax exemptions to which the Company or such Sponsor Affiliates would be entitled if the Project was not and had not been Project under the Act; and (ii) be reduced by the total amount of Fee Payments the Company or such Sponsor Affiliates had made with respect to the Project pursuant to the terms hereof.

SECTION 3.01. Payment of Costs of Infrastructure.

The Company shall be responsible for payment of all Costs of the Infrastructure with respect to the Project as and when due.

SECTION 3.02. Infrastructure Credits.

(a) In order to reimburse the Company for a portion of the Cost of the Infrastructure with respect to the Project, commencing with the annual Fee Payment to be first payable on or before the January 15th the year immediately following the first year in which any portion of the Project is first placed in service and continuing thereafter for a total of fifteen (15) consecutive years (the "Exemption Period") in accordance with the Infrastructure Credit schedule attached hereto and incorporated herein as Exhibit C, which Infrastructure Credit schedule reflects the percentages of the Fee Payment to be rebated each year to the Company after application of the Infrastructure Credits provided by the County (that is, with respect to investment made by the Company in the Project during the Investment Period), calculated and applied after payment of the amount due the non- host county under the Park Agreement.

(b) Notwithstanding anything herein to the contrary, under no circumstances shall the Company be entitled to claim or receive any abatement of *ad valorem* taxes for any portion of the investment in the Project for which an Infrastructure Credit is taken.

(c) In no event shall the aggregate amount of all Infrastructure Credits claimed by the Company exceed the amount expended by them collectively with respect to the Infrastructure at any point in time. The Company shall be responsible for making written annual certification as to compliance with the provisions of the preceding sentence through the delivery of a certification in substantially the form attached hereto as Exhibit B. Further, any amount of reimbursement of the Company for Infrastructure expenditure by way of an Infrastructure Credit may not be duplicated through an Infrastructure Credit to the Company for the same expenditure.

(d) Should the Investment Target not be met by the end of the Investment Period, any infrastructure credits otherwise payable under this Agreement shall no longer be payable by the County, and the Company shall be retroactively liable to the County for the amount of the infrastructure credits previously received by the Company, plus interest at the rate payable for late payment of taxes.

(e) As provided in Section 4-29-68 of the Code, to the extent any Infrastructure Credit is taken against fee in lieu of tax payment on personal property, and the personal property is removed from the Project at any time during the term of this Agreement (and not replaced with qualifying replacement property), the amount of the fee in lieu of taxes due on the personal property for the year in which the personal property was removed from the Project shall be due for the two (2) years immediately following such removal.

(f) THIS AGREEMENT AND THE INFRASTRUCTURE CREDITS BECOMING DUE HEREUNDER ARE LIMITED OBLIGATIONS OF THE COUNTY PROVIDED BY THE COUNTY SOLELY FROM THE FEE PAYMENTS RECEIVED BY THE COUNTY FOR THE PROJECT PURSUANT TO THE PARK AGREEMENT, AND DO NOT AND SHALL NEVER CONSTITUTE A GENERAL OBLIGATION OR AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION (OTHER THAN THE PROVISIONS OF ARTICLE X, SECTION 14(10) OF THE SOUTH CAROLINA CONSTITUTION) OR STATUTORY LIMITATION AND DO NOT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE COUNTY ARE NOT PLEDGED FOR THE INFRASTRUCTURE CREDITS.

(g) No breach by the County of this Agreement shall result in the imposition of any pecuniary liability upon the County or any charge upon its general credit or against its taxing power. The liability of the County under this Agreement or of any warranty herein included or for any breach or default by the County of any of the foregoing shall be limited solely and exclusively to the Fee Payments for the Project in the Park. The County shall not be required to execute or perform any of its duties, obligations, powers, or covenants hereunder except to the extent of the Fee Payments.

ARTICLE IV CONDITIONS TO DELIVERY OF AGREEMENT; TITLE TO PROJECT

SECTION 4.01. Documents to be Provided by County. Prior to or simultaneously with the execution and delivery of this Agreement, the County shall provide to the Company:

(a) A copy of the Ordinance, duly certified by the Clerk of the County Council to have been duly enacted by the County and to be in full force and effect on the date of such certification; and

(b) A copy of the Park Agreement, duly certified by the Clerk of the County Council to have been duly enacted by the County and to be in full force and effect on the date of such certification; and

(c) Such additional related certificates, instruments or other documents as the Company may reasonably request in a form and substance acceptable to the Company and the County.

SECTION 4.02. Transfers of Project; Assignment of Interest in this Agreement by the Company. The County hereby acknowledges that the Company may from time to time and in accordance with applicable law, sell, transfer, lease, convey, or grant the right to occupy and use the Project, in whole or in part, or assign its interest in this Agreement, to others as more specifically detailed in **Exhibit D**; provided, however, that any transfer by the Company of any of its interest in this Agreement to any other Person shall require the prior written consent of the County, which shall not be unreasonably withheld. No such sale, lease, conveyance, grant or assignment shall relieve the County from the County's obligations to provide Infrastructure Credits to the Company or any assignee of the same, under this Agreement as long as such assignee is qualified to receive the Infrastructure Credits under the Infrastructure Credit Act.

SECTION 4.03. Assignment by County. The County shall not assign, transfer, or convey its obligations to provide Infrastructure Credits hereunder to any other Person, except as may be required by South Carolina law.

ARTICLE V DEFAULTS AND

REMEDIES

SECTION 5.01. Events of Default. If the County or the Company shall fail duly and punctually to perform any covenant, condition, agreement or provision contained in this Agreement on its part to be performed, which failure shall continue for a period of thirty (30) days after written notice by the County or the Company, respectively, specifying the failure and requesting that it be remedied is given to the County by the Company, or to the Company by the County, by first-class mail, the County or the Company, respectively, shall be in default under this Agreement (an "Event of Default"). Events of Default and associated claw back provisions are further described in **Exhibit E.**

SECTION 5.02. Remedies and Legal Proceedings by the Company or the County. Upon the happening and continuance of any Event of Default, then and in every such case the Company or the County, as the case may be, in their discretion may:

(a) by mandamus, or other suit, action, or proceeding at law or in equity, enforce all of its or their rights and require the other party to carry out any agreements with or for its benefit and to perform its or their duties under the Act and this Agreement;

(b) bring suit upon this Agreement;

(c) exercise any or all rights and remedies provided by applicable laws of the State of South Carolina; or

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of its rights.

SECTION 5.03. Remedies Not Exclusive. No remedy in this Agreement conferred upon or reserved to the County or the Company hereunder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

SECTION 5.04. Nonwaiver. No delay or omission of the County or the Company to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or an acquiescence therein; and every power and remedy given by this Article V to any party may be exercised from time to time and as often as may be deemed expedient.

ARTICLE VI

MISCELLANEO

US

SECTION 6.01. Termination. Subject to Sections 5.01 and 5.02 above, this Agreement shall terminate on the date upon which all Infrastructure Credits provided for herein have been credited to the Company.

SECTION 6.02. Successors and Assigns. All the covenants, stipulations, promises, and agreements in this Agreement contained, by or on behalf of, or for the benefit of, the County, shall bind or inure to the benefit of the successors of the County from time to time and any officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County, shall be transferred.

SECTION 6.03. Provisions of Agreement for Sole Benefit of the County and the Company. Except as in this Agreement otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any Person other than the County and the Company any right, remedy, or claim under or by reason of this Agreement, this Agreement being intended to be for the sole and exclusive benefit of the County and the Company.

SECTION 6.04. Severability. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, the illegality or invalidity shall not affect any other provision of this Agreement, and this Agreement, the Infrastructure Credits shall be construed and enforced as if the illegal or invalid provisions had not been contained herein or therein.

SECTION 6.05. No Liability for Personnel of the County or the Company. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member, agent, or employee of the County or its governing body or the Company or any of its officers, employees, or agents in his individual capacity, and neither the members of the governing body of the County nor any official executing this Agreement shall be liable personally on the Infrastructure Credits or this Agreement or be subject to any personal liability of accountability by reason of the issuance thereof.

SECTION 6.06. Notices. All notices, certificates, requests, or other communications under this Agreement shall be sufficiently given and shall be deemed given, unless otherwise required by this Agreement, when (i) delivered or (ii) sent by facsimile and confirmed by United States certified mail, return- receipt requested, restricted delivery, postage prepaid, addressed as follows:

(a)	if to the County:	Charleston County Housing and Land Management Department Lonnie Hamilton Building, Suite C216 4045 Bridge View Drive Charleston, South Carolina 29405
	with a copy to: (which shall not constitute notice to the County)	Charleston County County Attorney's Office Lonnie Hamilton Building 4045 Bridge View Drive Charleston, South Carolina 29405 Attn: Housing and Land Management
(b)	if to the Company:	MAC Hayne Street LLC 963 Tall Pine Road Mt. Pleasant, SC 29464 Attn: Aaron Brewer
	with a copy to: (which shall not constitute notice to the Company)	Burr & Forman 850 Morrison Drive Charleston, SC 29403 Attn: George Morrison

A duplicate copy of each notice, certificate, request or other communication given under this Agreement to the County or the Company shall also be given to the others. The County and the Company may, by notice given under this Section 6.06, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

SECTION 6.07. Applicable Law. The laws of the State of South Carolina shall govern the construction of this Agreement.

SECTION 6.08. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 6.09. Amendments. This Agreement may be amended only by written agreement of the parties hereto.

SECTION 6.10. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

SECTION 6.11. Indemnity.

(a) Notwithstanding the fact that it is the intention of the parties that the County, its members, officers, elected officials, employees, servants and agents (collectively, the "Indemnified Parties") shall not incur pecuniary liability by reason of the terms of this Agreement, or the undertakings required of the County hereunder, by reason of the granting of the Infrastructure Credits, by reason of the execution of this Agreement, by the reason of the performance of any act requested of it by the Company, or by reason of the County's relationship to the Project or by the operation of the Project by the Company, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if the County or any of the other Indemnified Parties should incur any such pecuniary liability, then in such event the Company shall indemnify, defend and hold them harmless against all claims by or on behalf of any person, firm or corporation, arising out of the same, and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice, the Company shall defend them in any such action or proceeding with legal counsel acceptable to the County (the approval of which shall not be unreasonably withheld); provided, however, that such indemnity shall not apply to the extent that any such claim is proximately caused by (i) the grossly negligent acts or omissions or willful misconduct of the County, its agents, officers or employees, or (ii) any breach of this Agreement by the County.

(b) Notwithstanding anything in this Agreement to the contrary, the above-referenced covenants insofar as they pertain to costs, damages, liabilities or claims by any Indemnified Party resulting from any of the above-described acts of or failure to act by the Company, shall survive any termination of this Agreement.

SECTION 6.12. Facsimile/Scanned Signature

The Parties agree that use of a fax or scanned signature and the signatures, initials, and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the Parties as if the original signature, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Charleston County, South Carolina, has caused this Agreement to be executed by the Charleston County Administrator and its corporate seal to be hereunto affixed and attested by the Clerk of its County Council and <NAME OF COMPANY> has caused this Agreement to be executed by an authorized officer, all as of the day and year first above written.

CHARLESTON COUNTY, SOUTH CAROLINA

(SEAL)

By:______________________________________

William L. Tuten
Charleston County Administrator

ATTEST:

____

Kristen Salisbury, Clerk to County Council of
Charleston County, South Carolina

[Signature page 1 to Special Source Credit Agreement]

MAC HAYNE STREET LLC

By:____________________________________
Name:_________________________________ Title:_____

[Signature page 2 to Special Source Credit Agreement]

EXHIBIT A

REAL PROPERTY DESCRIPTION

ALL that certain lot, piece or parcel of land, situate lying and being on the West side of the street or road leading from Charleston to Goose Creek Bridge in Berkeley County and being designated as Lot #37, in the Subdivision of Forestdale, on a Plat dated March 10, 1942, made by Robert H. Morris, Surveyor, and recorded in the RMC Office for Charleston County, South Carolina, in Plat Book F at page 175, to which reference is hereby made for a more full and complete description.

SAVING AND EXCEPTING from this conveyance a portion sixty-three by one hundred fifty feet, measured as follows: Beginning at the Northwest corner of said lot Sixty-three feet along the road as shown on plat referred to above, and one hundred fifty feet along the Western line of said lot.

Subject only to those matters as set forth on Exhibit "A".

BEING the same property conveyed to Beatrice Whitten and Justin O. Lucey by deed of Sandra K. Miller a/k/a Sandra Kite dated June 3, 2010, and recorded June 15, 2010, in the RMC Office for Charleston County, South Carolina in **Book 0128 at Page 191**.

TMS NO: 478-11-00-025

EXHIBIT A (continued)

All those certain pieces, parcels or lots of land, with any buildings and improvements thereon, situate, lying and being a part of Twelve Mile Track in the County of Charleston, State of South Carolina, known and designated as Lots 38-A & 38-B, Forestdale, as shown on a plat entitled, "Plat of the Subdivision of Lot 38-A, Forestdale in the north area of Charleston County, into Lots 38-A and 38-B" by James F. Bennett, Surveyor dated June 19, 1980 and recorded in the RMC Office for Charleston County in Plat Book P, at page 125; said lots having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully and at large appear.

BEING the same property (as to Lot 38-A) conveyed to Lloyd K. Bursey and Dawn M. Bursey, JTWROS, by Deed of Lloyd K. Bursey and Dawn M. Bursey dated January 16, 2013, and recorded in the RMC Office for Charleston County, SC, in Book 0306, at Page 944; ALSO being the same property (as to Lot 38-B) conveyed to Lloyd K. Bursey and Dawn M. Bursey by Deed of Texie Lee Graham dated August 31, 1984, and recorded in the RMC Office for Charleston County, SC, in Book Y139, at Page 802.

TMS#: 478-11-00-026 (Lot 38-A)
478-11-00-031 (Lot 38-B)

EXHIBIT B

INFRASTRUCTURE INVESTMENT CERTIFICATION

I________________, the_____________of _____________ (the "Company"), do hereby certify in connection with the Special Source Credit Agreement dated as of_____________, 2025 (the "Agreement") between Charleston County, South Carolina and the Company, as follows:

(1) As of December 31, 20_, the total amount of Infrastructure Credits received by the Company is as follows $_____________("Total Infrastructure Credits").

(2) As of December 31, 20_, the total amount of investment in Costs of Infrastructure by the Company is not less than the amount of the Total Infrastructure Credits received.

All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, I have set my hand this___day of__________, 20_.

MAC HAYNE STREET LLC

By:_________________________________
Name:______________________________ Its:_

EXHIBIT C

INFRASTRUCTURE CREDIT SCHEDULE

(percentage of abatement each year to the Company after application of the Infrastructure Credits provided by the County)

Tax Year 1 (First Tax Year After CO)-
92% Tax Year 2- 92%
Tax Year 3- 92%
Tax Year 4- 70%
Tax Year 5- 64%
Tax Year 6- 58%
Tax Year 7- 53%
Tax Year 8- 47%
Tax Year 9- 41%
Tax Year 10- 35%
Tax Year 11- 29%
Tax Year 12- 23%
Tax Year 13- 18%
Tax Year 14- 12%
Tax Year 15- 6%

EXHIBIT D

Transfer and Assignment

The County shall have the right to terminate this Agreement prior to the expiration of its term in the event the Company sells, transfers, conveys or assigns the Project or any part thereof (except resident unit leases and leases of the commercial space in the ordinary course which comply with the requirements, if any, of the County's final resolution) or any person or entity that "controls" (as hereinafter defined) the Company sells, transfers, conveys or assigns its interests in whole or in part, unless the Company complies in each and every instance with the following terms and conditions.

Notwithstanding the foregoing, provided no breach of terms and conditions of this Agreement has occurred which has not been cured within any applicable cure period, the company may sell, transfer, convey or assign the Project or any part thereof, and in connection therewith transfer this Agreement, upon at least two (2) months' prior written notice to (but without the requirement of the consent of) the County to an "Affiliate" which shall agree in writing satisfactory to the County to assume, all of the obligations, undertakings, liabilities, indemnities and responsibilities of the company thereunder. Such notice shall be accompanied by such documentation as the County may require evidencing such affiliation and control. Any Affiliate that succeeds to the interest of the company in and to the Project, or any portion thereof, shall thereafter be deemed to be the company and shall be subject to the provisions of this Agreement.

Transfer to "Qualified Transferee"

If the Project consists of (i) a housing project of seventy-five (75) units or less, or (ii) a mixed-use project of 75,000 rentable square feet or less (and provided no breach of terms and conditions of this Agreement has occurred and remains uncured within any applicable cure period):

- The Company must notify the County and its counsel in writing (the "Transfer Notice and Request") no later than two (2) months prior to the proposed date of sale, transfer, assignment or conveyance that the company intends to sell, convey, assign or otherwise transfer the Project, or any controlling interest therein, and/or that any person or entity that controls such company, intends to sell, convey, assign or otherwise transfer any of his, her or its interest in and to the company, and in connection with any such sale, transfer or conveyance, request that this

Agreement be transferred to otherwise· remain in full force and effect in accordance with its terms.

- The Transfer Notice and Request must contain a representation and warranty from (i) the Purchaser (as hereinafter defined), and (ii) the Company, to the best of its knowledge based solely upon the information and documentation provided to it by the Purchaser (but the company has no actual knowledge of the inaccuracy or incompleteness of any of the same) that each proposed purchaser, transfer or assignee (collectively, the Purchaser"), is a qualified transferee and must be accompanied by such information and documentation the County, acting by and through its Director of Housing and Land Management, may require to substantiate such representation and warranty.
- The Purchaser shall constitute a "qualified transferee" if the County determines in its reasonable judgment that:
    1. The Purchaser has successfully and continuously owned and operated projects of similar size, scope and use to that of the Project over the then- preceding ten (10) years;
    2. The Purchaser has demonstrated it has sufficient capacity and financial and other resources to fund the successful ongoing operation and maintenance of the Project;
    3. The Purchaser is current on the payment of all real estate taxes, levies, charges, fees and assessments due and owing to the County;
    4. The Purchaser is current on the payment of all FILOT payments due and owing to the County and all other relevant taxing jurisdictions;
    5. The Purchaser has no pending court cases or proceedings that may cause significant concern or harm to Charleston County, its name, or its reputation or otherwise jeopardize or negatively impact the Project.
    6. The Purchaser is current on the payment of all federal, South Carolina State, and Charleston County taxes and has made all filings of all required returns;
    7. The Purchaser has furnished to the County at least two (2) banking references; and
    8. The Purchaser has sufficiently demonstrated eligibility status parallel to that of the original applicant, as determined by the County.

Transfers to "Qualified Institutional Grade Investor"

If the Project consists of (i) a housing project of greater than seventy-five (75) units, or (ii) a mixed-use project of greater than 75,000 rentable square feet (and provided no breach of terms and conditions of County transaction documents has occurred and remains uncured within any applicable cure period):

- The company must notify the County and its counsel in writing (the "Transfer Notice and Request") no later than two (2) months prior to the proposed date of sale, transfer, assignment or conveyance that the company intends to sell, convey, assign or otherwise transfer the Project, or any controlling interest therein, and/or that any person or entity that controls such company, intends to sell, convey, assign or otherwise transfer any of his, her or its interests in and to the company, and in connection with any such sale, transfer or conveyance, request that the FILOT Agreement be transferred to otherwise remain in full force and effect in accordance with its terms.
- The Transfer Notice and Request must contain a representation and warranty from (i) the Purchaser (as thereafter defined), and (ii) the company, to the best of its knowledge based solely upon the information and documentation provided to it by the Purchaser (but the company has no actual knowledge of the inaccuracy or incompleteness of any of the same) that each proposed purchaser, transferee or assignee (collectively, the "Purchaser"), is a qualified institutional grade investor and must be accompanied by such information and documentation as the County, acting by and through its Deputy County Administrator, may require to substantiate such representation and warranty. The Purchaser shall constitute a qualified institutional grade investor if the County determines in its reasonable judgement that the Purchaser has extensive experience financing, constructing and operating projects of the type(s) as the Project which shall be satisfied by fulfilling any one (1) of the following three (3) "tests":
    1. Net assets of Twenty-Five Million Dollars ($25,000,000) or greater as presented in the Purchaser's most recent fiscal year audited financial statement;
    2. Property currently owned and/or under management in excess of One Million Five Hundred Thousand (1,500,000) rentable square feet, or
    3. Property developed in last ten (10) years in excess of One

Million Five Hundred Thousand (1,500,000) rentable square feet.

<u>EXHIBIT E</u>

<u>Events of Default and Claw Back Provisions</u>

Should the Minimum Investment Requirement not be met by the end of the Investment Period, any Special Source Credits otherwise payable under this Agreement shall no longer be payable by the County, and this Agreement shall terminate. Should the Workforce Housing Requirements set forth in this Agreement not be continuously satisfied at any time during the Credit Period, any Special Source Credits otherwise payable under this Agreement shall no longer be payable by the County and the Company shall be retroactively liable to the County for the amount of the Special Source Credits previously received by the Company, plus interest to the date such amount is paid to the County at the rate payable for late payment of taxes under the laws of the State. Any payment required under the foregoing sentence shall be made by the Company within forty-five (45) days after the end of the calendar year in which the failure to satisfy the Workforce Housing Requirements occurred, following which payment this Agreement shall be deemed terminated.