



JOHN J. TECKLENBURG  
MAYOR

*City of Charleston*  
*South Carolina*  
*Clerk of Council Department*

VANESSA TURNER MAYBANK  
CLERK OF COUNCIL

**NOTICE OF MEETING**

A meeting of the Committee on Real Estate will be held beginning at 3:00 p.m. Monday, June 8, 2020, Conference Call: 1-929-205-6099; Access Code: 835 678 884. The agenda will be as follows:

**AGENDA**

Invocation – Councilwoman Jackson

**Approval of Minutes:**

May 26, 2020

- a. Approval of Valet Parking Services Agreement with owner of Lodge Alley Inn for inclusion in City's automated valet parking system at Cumberland/Concord Parking Garage – for term of 5 years with automatic annual renewals subject to City's 90-day notice not to renew. (1 Cumberland Street; TMS: 458-09-02-068)
- b. Approval of the Memorandum of Understanding whereby the term of the City's leased space located in the MUSC Children's Hospital for police forensics is extended to May 31, 2021. (171 Ashley Avenue: TMS: 460-15-01-043). The property is owned by The Medical University Hospital Authority (MUHA).
- c. Approval to authorize the Mayor to execute, on behalf of the City, the Development Agreement for the development of 2321 Birdie Garrett Street by the Charleston Redevelopment Corporation (CRC). The CRC will contract 1 single family house for sale to an individual or family earning up to 80% of the Area Median Income and will be subject to the Land Trust affordability covenants of 99 years. The Transfer Agreement conveying the property to the organization was approved by Council, November 12, 2019. (2321 Birdie Garrett Street; TMS: 464-01-00-109)
- d. Approval to modify the Original Transfer Agreement with the Charleston Redevelopment Corporation re: 2321 Birdie Garrett Street to, among other things, (i) allow the City to waive redevelopment contingencies if the City so wishes, and (ii) allow the Developer to transfer and convey the Project to a land trust entity which is (or will be) organized under the laws of the State of South Carolina as a nonprofit corporation, and which entity shall be solely owned and controlled by Developer. The Original Transfer Agreement conveying the property to the

organization was approved by Council on November 12, 2019. (2321 Birdie Garrett Street; TMS: 464-01-00-109)

e. Update on purchase of property located on River Road and Maybank Highway (the Village at Fenwick PUD – Johns Island).

f. Consider the following annexations:

(i) 416 Riverland Drive (TMS# 343-10-00-002) 0.26 acre, James Island (District 11). The property is owned by W. Coleman and Christina M. Lawrimore.

(ii) 450 Riverland Drive (TMS# 343-10-00-019) 0.5 acre, James Island (District 11). The property is owned by Whitney and Alexander Pasquini.

(iii) 334 Folly Road (TMS# 424-05-00-030) 0.40 acre, James Island (District 11). The property is owned by John Clair and Ellen S. Clair.

In accordance with the Americans with Disabilities Act, people who need alternative formats, ASL (American Sign Language) Interpretation or other accommodation please contact Janet Schumacher at (843) 577-1389 or email to [schumacherj@charleston-sc.gov](mailto:schumacherj@charleston-sc.gov) three business days prior to the meeting.

a.)

**REAL ESTATE COMMITTEE**  
**GENERAL FORM**

TO: Real Estate Committee DATE: June 9, 2020

FROM: Real Estate DEPT: BFRC

ADDRESS: 1 Cumberland Street

TMS: 458-09-02-068

PROPERTY OWNER: City of Charleston

Request approval of Valet Parking Services Agreement with owner of Lodge Alley Inn for inclusion in City's automated valet parking system at Cumberland/Concord Parking Garage – for term of 5 years with automatic annual renewals subject to City's 90-day notice not to renew.

ACTION REQUEST:

**ORDINANCE:** Is an ordinance required? Yes  No

**COORDINATION:** The request has been coordinated with:  
*All supporting documentation must be included*

	<u>Signature</u>	<u>Attachments</u>
Department Head	_____	<input type="checkbox"/>
Legal Department	_____	<input type="checkbox"/>
Chief Financial Officer	_____	<input type="checkbox"/>
Director Real Estate Management	_____	<input checked="" type="checkbox"/>
_____	_____	<input type="checkbox"/>

**FUNDING:** Was funding needed? Yes  No   
If yes, was funding previously approved?\* Yes  No

\*If approved, provide the following: Dept/Div. \_\_\_\_\_ Acct: \_\_\_\_\_

Balance in Account \_\_\_\_\_ Amount needed for this item \_\_\_\_\_

**NEED:** Identify any critical time constraint(s).

**\*Commercial Property and Community & Housing Development have an additional form.**

**COMMERCIAL REAL ESTATE FORM**

TO: Real Estate Committee                      DATE: June 9, 2020

FROM: Real Estate                                      DEPT: BFRC

ADDRESS: 1 Cumberland Street

TMS: 458-09-02-068

PROPERTY OWNER: City of Charleston

**ACTION REQUEST:**                      **Request approval of Valet Parking Services Agreement with owner of Lodge Alley Inn for inclusion in City's automated valet parking system at Cumberland/Concord Parking Garage – for term of 5 years with automatic annual renewals subject to City's 90-day notice not to renew.**

**ORDINANCE:** Is an ordinance required? Yes  No

**ACTION: What action is being taken on the Property mentioned?**

**ACQUISITION**                      Seller (Property Owner) \_\_\_\_\_ Purchaser \_\_\_\_\_

**DONATION/TRANSFER**  
Donated By: \_\_\_\_\_

**FORECLOSURE**  
Terms: \_\_\_\_\_

**PURCHASE**  
Terms: \_\_\_\_\_

**CONDEMNATION**  
Terms: \_\_\_\_\_

**OTHER**  
Terms: \_\_\_\_\_

**SALE**                                      Seller (Property Owner) \_\_\_\_\_ Purchaser \_\_\_\_\_

**NON-PROFIT ORG, please name** \_\_\_\_\_  
Terms: \_\_\_\_\_

**OTHER**  
Terms: \_\_\_\_\_

**EASEMENT**                      Grantor (Property Owner) \_\_\_\_\_ Grantee \_\_\_\_\_

**COMMERCIAL REAL ESTATE FORM**

PERMANENT  
Terms: \_\_\_\_\_

TEMPORARY  
Terms: \_\_\_\_\_

**LEASE**      Lessor: City of Charleston      Lessee: The Lodge Alley Inn Condominium Assoc., Inc., d/b/a The Lodge Alley Inn

INITIAL  
Terms: Agreement for use of City's automated valet parking system is 5 years.

RENEWAL  
Terms: Automatic annual renewals subject to City's 90-day notice not to renew.

AMENDMENT  
Terms: \_\_\_\_\_

Improvement of Property

Owner: \_\_\_\_\_

Terms: \_\_\_\_\_

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**BACKGROUND CHECK:** If Property Action Request is for the sale or lease of city property, has a background check been completed?

Yes  No  N/A

Results: \_\_\_\_\_

Signature: \_\_\_\_\_  
Director Real Estate Management

**ADDITIONAL:** Please identify any pertinent detail (Clauses, Agreement Terms, Repeals, etc.) regarding City Property.

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**NEED:** Identify any critical time constraint(s).



Agreement and Tenant has provided the City with the required certificate of liability insurance described in Paragraph 8.

4. The City will bill back Tenant by invoice at the first of each month for each previous month's charges. Payment shall be made - upon Tenant's receipt of invoice - to the City's garage management company of record, presently ABM Parking Services, by no later than ten (10) calendar days from date of receipt of invoice. The City shall have the right to terminate this Agreement at its discretion if Tenant fails to remit payment as agreed upon under the provisions of this paragraph.
5. The initial term of this Valet Parking Services Agreement shall be for a period of five (5) years, and shall expire five years after the latest date of execution by either of the parties. This Agreement shall thereafter automatically renew annually for single one-year terms, subject however to the same terms and conditions, unless the City gives Tenant ninety (90) days written notice of its intent to not renew for any subsequent one-year term following expiration of the initial five-year term. Notwithstanding the Tenant's rights of renewal, the City shall have the right to terminate for nonpayment, which shall be governed by paragraph 4 hereof. Tenant shall also have the right to terminate this Agreement for convenience by giving the City a 30-day prior written notice. Each party shall bear its own costs that may be associated with terminating this Agreement, provided the City shall be entitled to recover its costs of collection in pursuing unpaid rents, including reasonable attorney's fees and costs associated with such action.
6. The rights and obligations of Tenant under this Agreement are not assignable.
7. Tenant acknowledges that this Agreement is solely for the specific purpose of providing valet parking services to its hotel guests of The Lodge Alley Inn as described herein. Tenant acknowledges and retains all responsibility and liability for the vehicles and their contents it parks in the Parking Garage.
8. The Tenant shall indemnify, hold harmless and defend the City and ABM Parking Services for any and all personal injuries or property damage caused by, or related to, or alleged to be caused by or related to, its valet operations.
  - a. For the duration of this Agreement, the Tenant shall keep in full force and effect, and at its expense, liability insurance (provided by an insurance provider rated A or better) with a limit of not less than \$1,000,000 for damages to person or property arising out of any one accident or occurrence. The City of Charleston and ABM

Parking System shall be named as additional insureds on the policy and each shall be provided with a certificate of insurance prior to the commencement of the Agreement. The policy shall provide that the City be notified at least thirty (30) days in advance of termination or expiration.

- b. City shall keep in force at its expense, as long as this Agreement remains in effect, public liability insurance (provided by the South Carolina Insurance Reserve Fund or other insurance provider chosen by the City) with a limit not to exceed the amounts listed below for damages as the result of any one occurrence, including damages for care and loss of services, because of personal injury sustained by one or more persons, because of all property damage sustained by one or more persons or organizations, or by any combination of personal injury or property damage sustained by one or more persons or organizations:

- i. A limit of Three Hundred Thousand and No/100 (\$300,000.00) Dollars per person per occurrence for bodily injury and property and property damage; and
- ii. a limit not to exceed Six Hundred Thousand (\$600,000.00) Dollars for bodily injury and property damage as the result of any one occurrence, accident or disaster.

9. This Lease Agreement shall be controlled by the laws of the State of South Carolina. Any action to enforce the provisions of this Agreement shall be commenced only in the Court of Common Pleas for Charleston County.

10. This Agreement represents the entire understanding between the parties and supersedes any and all prior understandings, agreements or representations, whether written or oral. No modification or amendment to this Agreement shall be effective unless the same is reduced to writing and signed by the party against whom enforcement is sought.

11. Any notice to be given to the parties hereto shall be made by certified mail, return receipt requested with proper postage affixed thereon, addressed to such party at the addresses below or to such address as the party may later notify the other party:

FOR THE CITY:

City of Charleston  
Real Estate Management Division  
Peter Rascoe, Parking Contract Manager  
PO Box 304  
Charleston, SC 29402  
843-973-7299



City of Charleston  
Legal Department  
50 Broad Street  
Charleston, SC 29401  
843-724-3730

FOR TENANT: Justin Mole, Resort Manager  
The Lodge Alley Inn Condominium Association, Inc.  
195 East Bay Street  
Charleston, SC 29401  
(843) 722-1611

ABM PARKING SERVICES: 401-C King Street  
Charleston, SC 29403  
843-805-3232

12. This Agreement shall be binding on each party and their respective administrators and assigns.

IN WITNESS WHEREOF, both parties have caused this Agreement to be duly executed and delivered as of the date first above written.

WITNESSES:

CITY OF CHARLESTON

Signature: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

TENANT

WITNESSES:

Tenant: \_\_\_\_\_

Signature: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ Name Printed: \_\_\_\_\_

\_\_\_\_\_ Title: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

**REAL ESTATE COMMITTEE**  
**GENERAL FORM**

TO: Real Estate Committee DATE: June 9, 2020

FROM: Real Estate Division DEPT: BFRC

ADDRESS: 171 Ashley Avenue

TMS: 460-15-01-043

PROPERTY OWNER: The Medical University Hospital Authority (MUHA)

ACTION REQUEST: Request approval of the Memorandum of Understanding whereby the term of the City's leased space located in the MUSC Children's Hospital for police forensics is extended to May 31, 2021.

**ORDINANCE:** Is an ordinance required? Yes  No

**COORDINATION:** The request has been coordinated with:  
*All supporting documentation must be included*

	<u>Signature</u>	<u>Attachments</u>
Department Head	_____	<input type="checkbox"/>
Legal Department	_____	<input type="checkbox"/>
Chief Financial Officer	_____	<input type="checkbox"/>
Director Real Estate Management	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>

**FUNDING:** Was funding needed? Yes  No

If yes, was funding previously approved?\* Yes  No

\*If approved, provide the following: Dept/Div. \_\_\_\_\_ Acct: \_\_\_\_\_

Balance in Account \_\_\_\_\_ Amount needed for this item \_\_\_\_\_

**NEED:** Identify any critical time constraint(s).

\*Commercial Property and Community & Housing Development have an additional form.

**COMMERCIAL REAL ESTATE FORM**

TO: Real Estate Committee      DATE: June 9, 2020

FROM: Real Estate Division      DEPT: BFRC

ADDRESS: 171 Ashley Avenue

TMS: 460-15-01-043

PROPERTY OWNER: The Medical University Hospital Authority (MUHA)

ACTION REQUEST: Request approval of the Memorandum of Understanding whereby the term of the City's leased space located in the MUSC Children's Hospital for police forensics is extended to May 31, 2021.

**ORDINANCE:** Is an ordinance required? Yes  No

**ACTION: What action is being taken on the Property mentioned?**

**ACQUISITION**      Seller (Property Owner) \_\_\_\_\_ Purchaser \_\_\_\_\_

**DONATION/TRANSFER**  
Donated By: \_\_\_\_\_

**FORECLOSURE**  
Terms: \_\_\_\_\_

**PURCHASE**  
Terms: \_\_\_\_\_

**CONDEMNATION**  
Terms: \_\_\_\_\_

**OTHER**  
Terms: \_\_\_\_\_

**SALE**      Seller (Property Owner) \_\_\_\_\_ Purchaser \_\_\_\_\_

**NON-PROFIT ORG, please name** \_\_\_\_\_  
Terms: \_\_\_\_\_

**OTHER**  
Terms: \_\_\_\_\_

**EASEMENT**      Grantor (Property Owner) \_\_\_\_\_ Grantee \_\_\_\_\_

**PERMANENT** \_\_\_\_\_

**COMMERCIAL REAL ESTATE FORM**

Terms: \_\_\_\_\_

TEMPORARY

Terms: \_\_\_\_\_

MEMORANDUM OF UNDERSTANDING

Lessor: MUHA Lessee: City of Charleston

INITIAL

Terms: \_\_\_\_\_

RENEWAL

Terms: The term of the City's leased space located in the MUSC Children's Hospital for police forensics is extended to May 31, 2021. The Agreement may be renewed for an additional one-year term. The monthly rent shall be \$1,905.50.

AMENDMENT

Terms: \_\_\_\_\_

Improvement of Property

Owner: \_\_\_\_\_

Terms: \_\_\_\_\_

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**BACKGROUND CHECK:** If Property Action Request is for the sale or lease of city property, has a background check been completed?

Yes  No  N/A

Results: \_\_\_\_\_

Signature: \_\_\_\_\_

Director Real Estate Management

**ADDITIONAL:** Please identify any pertinent detail (Clauses, Agreement Terms, Repeals, etc.) regarding City Property.

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**NEED:** Identify any critical time constraint(s).

## Lease Summary

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**Lease Type:** Memorandum of Understanding

**Property Location:** Children's Hospital - Lab

**Landlord:** Medical University Hospital Authority  
**Contact:** Dr. Tom Crawford

**Tenant:** City of Charleston

**Occupant:** City of Charleston, Forensic Lab  
**Contact:** Ashley Anderson

**Purpose for Lease:** To continue to provide space for the City of Charleston Forensic Lab

**Lease History/Details:** City of Charleston has been for 10 + years

**Lease Dates:** 6/1/2020 – 5/31/2021  
**Lease Term:** 1 Year  
30-day notice to vacate, either party

**Rentable Square Feet:** 740  
**Annual Amount:** \$22,866.00  
**Cost per Square Foot:** \$30.90 – Funds Flow Rate  
**Is this a Lease Increase:** No

**Amount of Increase:** None

**Is this a budgeted item:** n/a – City of Charleston

**Space Utilization:** 100%

**Option Extended Lease Term:** To be negotiated  
**Auto Renewal:** No

**Comparison to Cost of Existing Leases:** Jan 2019 Average Cost per SF  
Office - \$25.13 / Clinical - \$27.76

**Source of Funds:** City of Charleston

**Who Initiated Agreement:** City of Charleston

**MEMORANDUM OF UNDERSTANDING**  
**THE MEDICAL UNIVERSITY HOSPITAL AUTHORITY**  
**AND**  
**THE CITY OF CHARLESTON**

AGREEMENT:

This Agreement is between The Medical University Hospital Authority (MUHA) and the City of Charleston.

This Agreement shall commence on June 1, 2020 and shall run for a term of one (1) year ending May 31, 2021. This Agreement may be renewed for an additional one (1) year term upon 90-day notice from the City of Charleston subject to MUHA executive leadership approval.

The City of Charleston shall occupy 740 square feet of space located in the MUSC Children's Hospital; rooms EH203A, EH203B and EH203C. The cost shall be \$30.90 per square foot (full service) resulting in a monthly payment of \$1,905.50.

Payments shall be made to the Medical University Hospital Authority at 1180 Sam Rittenberg Blvd., Suite 200, Charleston SC 29407.

*This agreement may be terminated by The City of Charleston without penalty with a 30-day written notice.*

**Medical University Hospital Authority**

\_\_\_\_\_  
Lisa Goodlett, Chief Operating Officer

MUSC/MUHA OGC – Approved as to Form  
By E. Player 03/18/2020

\_\_\_\_\_  
Date

**The City of Charleston**

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

C.)

**REAL ESTATE COMMITTEE**  
**GENERAL FORM**

TO: Real Estate Committee DATE: June 1, 2020

FROM: Geona Shaw Johnson DEPT: HCD

ADDRESS: 2321 Birdie Garrett Street, Charleston, South Carolina

TMS: 464-01-00-109

PROPERTY OWNER: City of Charleston

To authorize the Mayor to execute, on behalf of the City, the Development Agreement for the development of 2321 Birdie Garrett Street by the Charleston Redevelopment Corporation (CRC). The CRC will construct 1 single family house for sale to an individual or family earning up to 80% of the Area Median Income and will be subject to the Land Trust affordability covenants of 99 years. The Transfer Agreement conveying the property to the organization was approved by Council, November 12, 2019.

ACTION REQUEST: \_\_\_\_\_

**ORDINANCE:** Is an ordinance required? Yes  No

**COORDINATION:** The request has been coordinated with:

*All supporting documentation must be included*

	<u>Signature</u>	<u>Attachments</u>
Department Head		<input checked="" type="checkbox"/>
Legal Department	_____	<input type="checkbox"/>
Chief Financial Officer	_____	<input type="checkbox"/>
Director Real Estate Management	_____	<input checked="" type="checkbox"/>
_____	_____	<input type="checkbox"/>

**FUNDING:** Was funding needed? Yes  No

If yes, was funding previously approved?\* Yes  No

\*If approved, provide the following: Dept/Div. \_\_\_\_\_ Acct: \_\_\_\_\_

Balance in Account \_\_\_\_\_ Amount needed for this item \_\_\_\_\_

**NEED:** Identify any critical time constraint(s).

**\*Commercial Property and Community & Housing Development have an additional form.**



**COMMERCIAL REAL ESTATE FORM**

TO: Real Estate Committee                      DATE: June 1, 2020

FROM: Geona Shaw Johnson                      DEPT: HCD

ADDRESS: 2321 Birdie Garrett Street, Charleston, South Carolina

TMS: 464-01-00-109

PROPERTY OWNER: City of Charleston

To authorize the Mayor to execute, on behalf of the City, the Development Agreement for the redevelopment of 2321 Birdie Garrett Street by the Charleston Redevelopment Corporation (CRC). The CRC will construct 1 single family house for sale to an individual or family earning up to 80% of the Area Median Income and will be subject to the organization Land Trust affordability restrictions. The Transfer Agreement conveying the property to the organization was approved by Council, November 12, 2019.

ACTION REQUEST:

**ORDINANCE:** Is an ordinance required? Yes  No

**ACTION: What action is being taken on the Property mentioned?**

**ACQUISITION**                      Seller (Property Owner) \_\_\_\_\_ Purchaser \_\_\_\_\_

**DONATION/TRANSFER**  
Donated By: \_\_\_\_\_

**FORECLOSURE**  
Terms: \_\_\_\_\_

**PURCHASE**  
Terms: \_\_\_\_\_

**CONDEMNATION**  
Terms: \_\_\_\_\_

**OTHER**  
Terms: \_\_\_\_\_

**SALE**                      Seller (Property Owner) City of Charleston                      Purchaser \_\_\_\_\_

**NON-PROFIT ORG, please name** Charleston Redevelopment Corporation  
Terms: As outlined in the Transfer Agreement

**OTHER**  
Terms: \_\_\_\_\_

**COMMERCIAL REAL ESTATE FORM**

**EASEMENT**      Grantor (Property Owner) \_\_\_\_\_ Grantee \_\_\_\_\_

**PERMANENT** \_\_\_\_\_  
Terms: \_\_\_\_\_

**TEMPORARY** \_\_\_\_\_  
Terms: \_\_\_\_\_

**LEASE**      Lessor: \_\_\_\_\_ Lessee: \_\_\_\_\_

**INITIAL** \_\_\_\_\_  
Terms: \_\_\_\_\_

**RENEWAL** \_\_\_\_\_  
Terms: \_\_\_\_\_

**AMENDMENT** \_\_\_\_\_  
Terms: \_\_\_\_\_

**Improvement of Property**  
Owner: \_\_\_\_\_  
Terms: \_\_\_\_\_

**BACKGROUND CHECK:** If Property Action Request is for the sale or lease of city property, has a background check been completed?

Yes  No  N/A

Results: \_\_\_\_\_

Signature: \_\_\_\_\_

Director Real Estate Management

**ADDITIONAL:** Please identify any pertinent detail (Clauses, Agreement Terms, Repeals, etc.) regarding City Property.

**NEED:** Identify any critical time constraint(s).

A NOTICE TO CLOSING ATTORNEY AND REGISTER OF DEEDS (“*ROD*”) RECORDING OFFICER: THIS DEVELOPMENT AGREEMENT SHALL BE FILED OF RECORD IN THE CHARLESTON COUNTY ROD OFFICE PRIOR TO THE RECORDING OF THE DEED, MORTGAGE OR ANY OTHER INSTRUMENT TO BE FILED IN CONNECTION WITH THE CLOSING OF THE CONVEYANCE OF THE PROPERTY FROM THE CITY TO THE BELOW NAMED DEVELOPER.

ANY AGREEMENT SUBORDINATING THIS DEVELOPMENT AGREEMENT TO A MORTGAGE OR OTHER FINANCING INSTRUMENT IS SUBJECT TO THE TERMS OF THE “CITY’S MORTGAGE-PURCHASE OPTION,” AS DEFINED IN SECTION 5 BELOW, UNLESS THE CITY’S MORTGAGE-PURCHASE OPTION IS SPECIFICALLY WAIVED IN WRITING BY THE CITY. FAILURE OF ANY SUBORDINATION AGREEMENT TO SPECIFICALLY MENTION THE CITY’S MORTGAGE-PURCHASE OPTION SHALL NOT BE DEEMED TO BE A WAIVER BY THE CITY OF ITS RIGHTS UNDER SAID CITY’S MORTGAGE-PURCHASE OPTION.

STATE OF SOUTH CAROLINA            )  
  )        DEVELOPMENT AGREEMENT  
COUNTY OF CHARLESTON            )

THIS DEVELOPMENT AGREEMENT (this “*Agreement*”) is made and entered into as of the 1st day of April, 2020, by and between CHARLESTON REDEVELOPMENT CORPORATION, a South Carolina nonprofit corporation, recognized by the Internal Revenue Service as a tax-exempt entity under Internal Revenue Code Section 501(c)(3), having its principal address at 75 Calhoun Street, 3<sup>rd</sup> Floor Charleston, South Carolina (the “*Developer*”), and the CITY OF CHARLESTON, a municipal corporation organized and existing under the laws of the State of South Carolina, having its principal address at 80 Broad Street, Charleston, South Carolina 29401 (the “*City*”).

RECITALS:

WHEREAS, as part of its affordable housing program, the City facilitates the acquisition, construction and rehabilitation of homes for persons of low- to moderate-income; and

WHEREAS, the primary goals of the City’s affordable housing program are (i) to provide increased home ownership opportunities in the City for low- to middle-income

individuals and families, (ii) to revitalize key neighborhoods within the City, and (iii) to increase the capacity of various non-profit organizations to develop affordable homeownership housing opportunities through various methods such as rehabilitation of existing structures and new construction; and

WHEREAS, the City, from time to time, plans to convey certain properties now or hereafter owned by the City to various eligible non-profit and for-profit organizations in return for an agreement on the part of these organizations to develop the subject properties in accordance with certain goals, terms, conditions, requirements, rules and regulations, including, without limitation, an obligation on the part of said organizations to enter into an agreement, such as this Agreement, with the City for the development of the property; and

WHEREAS, the City is preparing to convey or has conveyed to the Developer that certain real property commonly known as 2321 Birdie Garrett Street, City of Charleston, County of Charleston, State of South Carolina, TMS # 464-01-00-109 as more particularly described and identified on Exhibit A attached hereto and made a part hereof (said property, together with any and all fixtures, buildings and improvements now or hereafter located thereon, is collectively referred to herein as the "**Property**"); and

WHEREAS, the Developer has applied to the City for a grant in the amount of Forty Thousand Dollars (\$40,000) Dollars (the "**City Grant**") to be used to finance all or a part of the costs of acquiring and developing the Property; and

WHEREAS, because of its obligation to accomplish the public purposes set forth hereinabove, the City will not convey the Property to the Developer or make the City Grant unless the Developer agrees to be regulated in the manner set forth below in this Agreement; and

WHEREAS, the Developer is willing to execute and abide by this Agreement as a condition of obtaining title to the Property and obtaining the City Grant.

NOW, THEREFORE, in consideration of the foregoing and the covenants, commitments, and undertakings contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties hereby agree as follows:

1. Definitions: In addition to the words and terms defined elsewhere in this Agreement, the following terms shall have the following meanings:

- (a) “**Agreement**” means this Development Agreement, together with the exhibits attached hereto and made a part hereof, as the same may from time to time be amended or supplemented.
- (b) “**Architect**” means Johnson, Laschober & Associates, P.C., a South Carolina professional corporation, who is the Developer’s design architect, or such other architect or architects as shall be employed by the Developer and approved by the City.
- (c) “**Architect’s Contract**” means the agreement between the Developer and the Architect, dated February 7, 2020, providing for architectural services to the Developer relating to the Development of the Project.
- (d) “**Change Orders**” means any amendment or modification of the Development Documents.
- (e) “**City Grant Documents**” means the separate contract between the Developer and the City, prepared by the City of Charleston Department of Housing and Community Development, and approved separately by the City Council for the City of Charleston, evidencing the terms and amount of the City Grant to be granted to the Developer.
- (f) “**City Loan**” has the meaning ascribed to that term in the Transfer Agreement.
- (g) “**City Loan Documents**” has the meaning ascribed to that term in the Transfer Agreement.
- (h) “**City Mortgage**” means that certain first lien purchase money mortgage on the Property in the approximate amount of \$18,000.00 which shall be satisfied of record by the City upon (i) the completion of the Project in accordance with the terms hereof, and (ii) conveyance of the home and related improvements to the Qualified Purchaser.
- (i) “**Completion Date**” means March 31, 2021, subject to extension as provided in Section 7(a) of this Agreement.
- (j) “**Construction Contract**” means the agreement between the Developer and the General Contractor, signed by all of the parties thereto and dated on or before the Initial Closing providing for the Development of the Property.

- (k) “**Cost Estimate**” means the detailed schedule and construction budget prepared by the Developer and attached hereto as Exhibit B and made a part hereof, showing a detailed itemization of the costs of acquiring the Property and the Development, an itemization of all costs anticipated by the Developer incident to the Project and the resale of the home and related improvements to a Qualified Purchaser, and all costs or other amounts funded or to be funded by the City Grant.
- (l) “**Developer**” means the original Developer named above, and its successors and assigns.
- (m) “**Developer’s Inspector**” means an engineering or architectural firm hired by the Developer and approved by the City in writing, which may be the Architect.
- (n) “**Development**” means any and all repairs, construction, reconstruction, renovations, development, redevelopment, improvements, modifications or additions now or hereafter made to or constructed on the Property as contemplated by this Agreement, the Drawings and the Development Documents.
- (o) “**Development Documents**” means the Construction Contract together with the general and special conditions attached thereto, the Architect’s Contract, the Drawings, any change orders, and the General Contractor’s bids and proposals.
- (p) “**Development Schedule**” means a schedule prepared by the Developer and delivered to the City providing a detailed schedule of the dates by which portions of the Project shall be completed, together with a detailed trade payment and funding schedule for all items and showing the amount the Developer anticipates drawing during the Development of the Project from loans and other sources, which Development Schedule is attached hereto as Exhibit C and made a part hereof, including any amendments or modifications thereto as may be made by the Developer from time to time and according to the terms of this Agreement.
- (q) “**Draw Request**” means a request for disbursement of the City Grant proceeds prepared by the Developer and delivered to the City.

- (r) **“Drawings”** means the final plans and specifications for the Development of the Property which are attached hereto as Exhibit D and made a part hereof, as approved by the City, including any amendments or modifications thereto as may be made by the Developer from time to time and approved by the City according to the terms of this Agreement.
- (s) **“Event of Default”** means any occurrence described in Section 16 of this Agreement.
- (t) **“Final Closing”** means the date on which the home and related improvements is sold and title thereto conveyed by the Land Trust Entity, as hereinafter defined, to a Qualified Purchaser.
- (u) **“General Contractor”** means Bordon Construction & Management LLC, a South Carolina limited liability company, or such other contractor or contractors as shall be employed by the Developer.
- (v) **“Ground Lease”** has the meaning ascribed to that term in the Transfer Agreement.
- (w) **“Hazardous Material”** means any hazardous or toxic substance, material or waste which is or becomes regulated by any Legal Authorities. The term “Hazardous Material” includes, but is not limited to, lead-based paint and any material or substance which is (i) defined as a “hazardous waste” or other hazardous material or substance under any of the laws of the State of South Carolina, (ii) petroleum, (iii) asbestos, (iv) designated as a “hazardous substance” pursuant to the Federal Water Pollution Control Act, as amended, (v) defined as a “hazardous waste” pursuant to the Federal Resource Conservation and Recovery Act, as amended, or (vi) defined as a “hazardous substance” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, as amended.
- (x) **“Initial Closing”** means the date on which the Property is conveyed by the City to the Developer pursuant to the Transfer Agreement.
- (y) **“Insurance Requirements”** means the City’s requirements for the policies of insurance as provided the City Grant Documents, and also in Section 6(f)(4) of this Agreement.

- (z) “**Legal Authorities**” or “**Legal Authority**” means any federal, state or local governmental or quasi-governmental body, office, department, agency, board, court or other instrumentality thereof exercising jurisdiction over the Development of the Project, the operation and occupancy of the Project, the Developer, the performance by the Developer of any act or obligation, or the observance by the Developer of any agreement, provision or condition of any nature whatsoever contained in this Agreement.
- (aa) “**Legal Requirements**” means any law, ordinance, order, code, rule, regulation or standard of any Legal Authority.
- (bb) “**Project**” means the Property and the Development collectively.
- (cc) “**Qualified Purchaser**” has the meaning ascribed to that term in the Transfer Agreement.
- (dd) “**Restrictive Covenants**” means those certain covenants and restrictions, if any, including the restrictions contained in the Ground Lease, specified and contained in the deed of conveyance whereby the City conveys title to the Property to the Developer, which deed is recorded or will be recorded in the Register of Deeds Office for Charleston County, South Carolina.
- (ee) “**Substantial Completion**” or “**Substantially Completed**” means the date when: (i) the Development of the Project shall have been fully completed in a good and workmanlike manner and according to the Development Documents, in full compliance with all applicable Legal Requirements of any Legal Authority, except for punch list items approved by the City; and (ii) all certificates of use and occupancy have been issued by all appropriate Legal Authorities for the Project.
- (ff) “**Transfer Agreement**” means that certain Transfer Agreement executed by and between the City and the Developer in connection with conveyance of the Property.
- (gg) “**Transfer of the Project**” means that date on which the Developer transfers and conveys the Project to a land trust entity which is (or will be) organized under the laws of the State of South Carolina as a non-profit corporation and which entity shall be solely owned and controlled by Developer (the “**Land Trust Entity**”), such conveyance shall occur simultaneously with the Final Closing.



2. General Agreement: The Developer hereby agrees to acquire the Property, to commence and complete the Development of the Property, to convey the Project to the Land Trust Entity, and to cause the Land Trust Entity to convey the home and related improvements (but not the fee simple title) to a Qualified Purchaser pursuant to the Ground Lease and in accordance with all of the terms and conditions of this Agreement, the Transfer Agreement, and the Restrictive Covenants.

3. Representations and Warranties of the Developer: To induce the City to enter into this Agreement, the Developer represents and warrants to the City as follows:

- (a) Due Organization: Developer is a nonprofit corporation duly organized and validly existing in good standing under the laws of the State of South Carolina and duly authorized to transact business in the State of South Carolina with full corporate power to execute, deliver and perform the obligations and transactions contemplated in this Agreement.
- (b) Due Authorization: The Developer and any officer, member, manager or partner executing this Agreement has full power, authority, and legal right to enter into this Agreement and to carry out the provision of this Agreement according to the terms hereof. The Developer has duly authorized the execution and delivery of this Agreement, and no other action of the Developer is requisite to the execution and delivery of this Agreement. No consents or approvals are required to be obtained from any Legal Authorities for the execution and delivery of this Agreement.
- (c) Drawings: The Drawings are satisfactory to the Developer, have been approved by the City, and, to the extent required by Legal Requirements or any effective restrictive covenant, by all Legal Authorities and the beneficiary of any such restrictive covenant, respectively. The Drawings so approved have been identified and initialed by the Developer, the Architect, the General Contractor, all sureties, and the City. The Project site is satisfactory in all respects for the Project. All Development, if any, performed on the Project before the date of this Agreement has been performed according to the Drawings and according to the restrictive covenants applicable to the Project, and to the best of the Developer's knowledge after a diligent inquiry, there are no structural defects in the Project or violations of any Legal Requirements with respect thereto.

- (d) Legal Requirements: The Project shall be developed and equipped according to all Legal Requirements, shall be developed entirely on the Property, and shall not encroach upon any easement or right-of-way, without the written approval of the City. The anticipated Development and use of the Project will comply with all Legal Requirements and restrictive covenants affecting the Project.
- (e) Environmental Condition: The Developer has no knowledge of the presence of any underground storage tanks or Hazardous Materials on the Property. To the best of the Developer's knowledge, after diligent investigation, the Property shows no visible signs of underground storage tanks or Hazardous Materials. Furthermore, the Developer is unaware of any violations of any federal, state or local environmental law, rule, regulation or ordinance. The Developer shall indemnify and hold the City harmless from all loss, liability, damage, cost and expense, including reasonable attorneys' fees, for failure of the Project or the Property to comply with all environmental requirements.
- (f) Litigation: There are no actions, suits or proceedings pending, or to the best of the Developer's knowledge threatened, against or affecting it or the Project, or involving the validity or enforceability of this Agreement or the City Grant Documents, at law or in equity, or before or by any Legal Authority. To the best of the Developer's knowledge, it is not in default under any order, writ, injunction, decree or demand of any court of any Legal Authority.
- (g) Violation of Other Agreements: The execution of this Agreement and the performance of the Developer pursuant to this Agreement does not and will not (i) violate any provision of law or its organizational documents, or (ii) result in a breach of, constitute a default under, require any consent under, or result in the creation of any lien, charge, or encumbrance upon any property of the Developer pursuant to any instrument, order, or other agreement to which the Developer is a party or by which the Developer, any of its partners/members/shareholders (as applicable) as such, or any of its property is bound.
- (h) Financial Condition: All balance sheets, financial statements, profit and loss statements, and all other information heretofore furnished to the City are true and correct and fairly reflect the financial condition of the Developer and its subsidiaries, if any, as of the dates thereof, including all contingent liabilities of every type and that the financial condition as stated in the financial

statements provided to the City has not changed materially and adversely since the dates of such documents.

- (i) Liens: Except as expressly permitted herein, the Developer has made no contract or arrangement of any kind the performance of which by the other party thereto would give rise to a lien on the Project.
- (j) No Default: The Developer is not in default under this Agreement or the City Grant Documents, and no event has occurred and is continuing which with notice or the passage of time or both would constitute a default under any thereof.
- (k) Solvency: (i) The Developer is solvent as of the effective date of this Agreement; (ii) the execution of this Agreement and the obligations of the Developer as contemplated herein will not render the Developer insolvent; (iii) the Developer has made adequate provision for the payment of all of its creditors other than the City; and (iv) neither the Developer nor any guarantor of the City Grant Documents has entered into this transaction to provide preferential treatment to the City or any other creditor of the Developer or any guarantor in anticipation of seeking relief under the Bankruptcy Code.

4. Total Project Cost: The total cost for the Project is expected to be Three Hundred Forty Five Thousand Five Hundred Twenty Seven Dollars (\$345,527,00), which cost is itemized as follows:

(a)	Property Acquisition Costs	\$18,000.00
(b)	Construction Contract	\$245,000.00
(c)	Project Costs Not Included in Construction Contract	\$75,125.00
	TOTAL	\$338,125.00

A schedule of the "Project Costs Not Included in Construction Contract" referenced above in this Section is attached hereto as Exhibit E and made a part hereof.

5. Financing: In accordance with the terms of the City Grant Documents, the City has agreed to provide the Developer with the City Grant for the sole purpose of assisting with completing the Development of the Project. In accordance with the terms of

the City Loan Documents, the City has agreed to provide the Developer with the City Loan for the sole purpose of acquiring the Property. If the Developer needs any additional financing to ensure completion of the Project, the Developer will be solely responsible for acquiring such additional financing.

Subject to the remaining terms and conditions of this Section 5, this Development Agreement will be subordinated, by separate written subordination agreement ("***Subordination Agreement***"), only to a mortgage lien on terms and conditions approved by the City (as evidenced by the execution of a mortgage securing a loan from a lender approved by the City in writing (the "***Approved Lender***")); provided, however, that, without the written consent of the City, the principal amount of the loan provided by the Approved Lender shall not exceed the sum of \$150,000.00 (the "***Approved Lender Loan***") and the proceeds of the Approved Lender Loan may only be used to finance the balance, if any, of the costs and expenses associated with the acquisition of the Property and the Development of the Project not covered by the City Grant. The form and content of any such subordination agreement must be satisfactory to the City and its counsel. As a condition precedent to any such subordination, the Developer, the Approved Lender, and any other parties required by the City, must first execute the Subordination Agreement, which agreement must be satisfactory to the City and its counsel, the terms of which shall provide that said subordination is subject to the City's Mortgage-Purchase Option, as hereinafter defined.

Any subordination of this Development Agreement to the Approved Lender Loan shall be subject to the following rights of the City (the "***City's Mortgage-Purchase Option***"):

The Approved Lender shall give the City sixty (60) days advance written notice of its intent to foreclose upon the mortgage securing the Approved Lender Loan (the "***Approved Lender Mortgage***") or to accept a conveyance of the Project in lieu of foreclosure. During the sixty (60) day period, the City shall have the right, but not the obligation, to purchase the mortgage for the amount due thereunder (including applicable expenses), and in such event the Approved Lender shall deliver to the purchaser such assignments and other evidentiary documents as the City shall reasonably request.

If an Approved Lender acquires the Project by foreclosure or by deed in lieu of foreclosure under its Approved Lender Mortgage after giving the City the required sixty (60) days' notice, the rights and restrictions contained in this City's Mortgage-Purchase Option shall terminate, and the Project shall become free from the rights and restrictions hereof.

**The City Grant must be funded and the Approved Lender Loan (and any other loan or loans, if any, approved by the City and necessary to finance the acquisition of the Property and the Development of the Project) must close simultaneously with the Initial Closing.**

6. Conditions Precedent to Initial Closing: The City shall not be obligated to close and convey the Property to the Developer unless the following conditions shall have been satisfied prior to the Initial Closing:

- (a) The representations and warranties of the Developer contained in Section 3 hereof and otherwise made by or on behalf of the Developer shall be true and correct in all material respects on and as of the date of the Initial Closing.
- (b) The Developer shall have satisfied each of the conditions precedent to the Initial Closing as contained in the Transfer Agreement.
- (c) The Developer shall have satisfied each of the conditions precedent, as contained in the City Grant Documents.
- (d) The Developer shall have satisfied each of conditions precedent to the closing of the Approved Lender Loan as required by the Approved Lender and the Approved Lender Loan shall close simultaneously with the Initial Closing.
- (e) The Developer shall have satisfied each of the conditions precedent to the closing of any other loan or loans, if any, and necessary to finance the acquisition of the Property and the Development of the Project, and each such loan or loans closes simultaneously with the Initial Closing.
- (f) The Developer, at its sole cost and expense, must have provided or caused to be provided to the City, and the City must have received, reviewed and approved the following:
  - (1) Authority and Capacity: Evidence of the Developer's organization, valid existence, authority to enter into this Agreement, good standing, current compliance with all laws, payments of taxes, and such other documents as the City may require.
  - (2) Financial Statements: The Developer shall provide the City with such financial reports and information relating to the Developer, the

General Contractor and the Project as the City may request (including, without limitation, balance sheets, profit/loss statements, and tax returns for the current year and the prior three (3) years), which financial reports and information shall be prepared in accordance with the requirements of the City, certified by an officer of the Developer or the General Contractor as the case may be, and, if requested by the City, prepared and certified as true and correct by an independent certified public account.

- (3) Other Developer Information: The Developer shall provide the City with such other reports and information relating to the Developer as the City may request, including, without limitation, information on the Developer's background, mission, history, list of Board of Directors and/or Trustees, experience, qualifications, list of projects, and resumes of key staff members.
- (4) Insurance: The original policies of insurance or certificates of insurance satisfactory to the City satisfying the Insurance Requirements, together with evidence of the payment of premiums therefore. Such insurance shall include, without limitation, Developer's effective, paid-up policies of fire, flood and all-risk replacement cost coverage of all insurable improvements on the Property (during and with respect to Development, in builder's risk completed value form); workers compensation insurance; comprehensive general public liability insurance; and such other or additional insurance, and covering such risks, as the City requires. All policies must be written by insurers, in amounts, with endorsements, and on terms and conditions satisfactory to the City.
- (5) Availability of Funds: Assurance satisfactory to the City of the availability of any and all funds required for completion of the Project in excess of the proceeds of the City Grant and the Approved Lender Loan, including payment to the City of such sums as may be required by the City.
- (6) Legal Opinion: Unless otherwise waived by the City in writing, an opinion of Developer's counsel to the effect that the Developer is duly organized and validly existing and in good standing under the laws of the state of its organization, authorized to do business in the State of South Carolina, with full power to own the Property and execute,

deliver and perform its obligations under this Agreement; that this Agreement is valid and legally binding and enforceable against the Developer in accordance with its terms, subject to laws pertaining to bankruptcy and insolvency; and opining to such other matters as may be required by the City.

- (7) Errors and Omissions Insurance: Copies of the Architects and Inspector's certificate of Errors and Omissions Insurance in an amount acceptable to the City, and endorsed so that the policies will not be terminated, expired or canceled without thirty (30) days advance written notice to the City.
- (8) Cost Estimate and Development Documents: The Cost Estimate and all Development Documents with any modifications thereto, together with evidence of written approval thereof by the City. If requested by the City, the Developer must also provide the City or cause to be provided to the City, and the City must have received, reviewed and approved, consents for the City to use the Development Documents in connection with the Development and collateral assignments to the City of the Developer's rights in the Development Documents and in such other contracts and agreements as the City shall require. The Developer's contractors, architects, engineers and any major subcontractors shall be subject to approval by the City. All Development Documents, including, without limitation, the Construction Contract, must be "guaranteed maximum price" contracts.
- (9) Payment and Performance Bonds: If requested by the City, assurance of completion of the Development by the General Contractor in the form of payment and performance bonds, each in the amount of one hundred percent (100%) of the Construction Contract satisfactory in all respects to the City as obligee, or, in the alternative, at the discretion of the City, a completion assurance agreement and an unconditional irrevocable letter of credit acceptable in all respects to the City in an amount equal to one hundred percent (100%) of the total sum of the Construction Contract to assure performance and payment, or other assurance acceptable to the City.
- (10) Authorized Signers: The Developer and the General Contractor shall advise the City in writing of the individual(s) within their

organizations who are authorized to sign draw requests, Change Orders, forms relating to completion and cost certification, or any other forms required by the City during Development, or to certify completion of Development. It shall be the responsibility of the Developer and the General Contractor to notify the City in writing in advance of any changes in the designated signatories.

- (11) [INTENTIONALLY OMITTED]
- (12) Other Lender Documents: The Developer shall deliver to the City true copies of the promissory note(s) evidencing all loans relating to the Project, including, without limitation, the Approved Lender Loan, together with any mortgage(s) securing said loans, certified by the lenders thereof as to their authenticity.
- (13) Appraisal: A current appraisal of the estimated market value of the Property before and after Development. The appraisal(s) must be addressed to the City and must conform to the Uniform Standards of Professional Appraisal Practice (“*USPAP*”) adopted by the Appraisal Standards Board of the Appraisal Foundation. Any deviation from the USPAP must be explained in the appraisal(s). The appraiser(s) must be licensed and/or certified if required by applicable Federal Deposit Insurance Corporation regulations or state laws, and must be approved by the City and the Approved Lender.
- (14) Survey: A current survey of the Property prepared by a registered surveyor satisfactory to the City within sixty (60) days of the Initial Closing, signed, sealed and certified by the surveyor to the Developer and the City.
- (15) Sales Pro-forma: A sales pro-forma evidencing the projected price for which the home and related improvements will be conveyed by the Developer to a Qualified Purchaser pursuant to the Ground Lease.
- (16) Building Permit/ Approvals/ Licenses: Copies of a valid building permit for the Project and all other permits, licenses and approvals necessary for Development of the Project, including, without limitation, any necessary permits, licenses and approvals for the Drawings, any demolition, historic preservation, use and occupancy, and for access and utility services to the Project.



- (17) Soil Tests: Soil tests and a foundation report regarding the Property by an engineer satisfactory to the City.
- (18) Utilities: Evidence that the Project will be directly connected to abutting public water, sewer, gas, electrical and telephone lines and pipes (and any other utilities necessary for the Project) properly operating and in sufficient capacity with all charges currently paid.
- (19) Zoning: Evidence that all applicable zoning ordinances and similar Legal Requirements permit the use for which the Project is intended and have been and will be complied with (including building codes and requirements as to parking, building setbacks, lot size and ingress and egress), without the necessity of variance, without reliance on any other property, and without the Project being a nonconforming use.
- (20) Disabilities Laws: Evidence that the Developer, the Project and the Drawings, and the Development and present and intended use and occupancy of the Project, do and will comply with all other applicable Legal Requirements, including those regarding access and facilities for handicapped or disabled persons.
- (21) Access: Evidence that the Project abuts and has fully adequate direct and free access to one or more dedicated public streets and thoroughfares and that all easements, leases and other rights necessary for the present and intended use of the Project, including those for ingress and egress, for vehicular and pedestrian traffic and for vehicle parking, are and will continue in effect.
- (22) Storm Water: Evidence that the Project will have adequate, properly approved and permitted storm water run-off and/or detention.
- (23) Cost Estimate: The Cost Estimate.
- (24) Taxpayer Identification Number: The federal taxpayer identification number for the Developer.
- (25) Miscellaneous: Such other evidence, documents, certificates and items requested by the City or the Approved Lender.

7. Development of the Project:

- (a) Commencement and Completion of Development: The Developer shall cause the Development of the Project to be performed diligently and continuously and according to the Development Documents. The Developer shall cause the Development to commence within thirty (30) days from the date of this Agreement. The Project shall be Substantially Completed according to the Drawings on or before the Completion Date, as such Completion Date may be extended with the prior written consent of the City.
- (b) Development Documents: The Developer shall strictly enforce the Development Documents and shall not permit any work pursuant to a Change Order unless the Developer first shall have received the written approval of the City.
- (c) Liens: The Developer shall complete the Development of the Project free and clear of all liens and encumbrances other than the lien of the City Mortgage or any other liens or encumbrances permitted by this Agreement or the City Grant Documents.
- (d) Payment for the Project: The Developer shall pay for all costs and expenses of the Project, including debt service payments. The Developer shall promptly advise the City in writing if the Developer receives any notice, written or oral, from any laborer, contractor, subcontractor or material furnisher to the effect that said laborer, contractor, subcontractor or material furnisher has not been paid for any labor or materials furnished to or contained in the Project. The Developer shall also promptly advise the City in writing if the Developer receives any notice, written or oral, from any lenders on the Project to the effect that a default has occurred under any such lender's loan. The City shall have the right, but not the obligation, to cure any such defaults, and the Developer, upon written notice from the City, shall promptly reimburse the City for any funds expended by the City in the curing any such defaults.
- (e) Compliance with Development Documents: The Developer shall, upon demand of the City, correct any defects in the Development or any departures from the Development Documents not approved by the City. The Developer shall not change, alter or amend either the Development Documents or the Development without the prior written consent of the City, and will not

permit any deviations by any contractor(s) from the Development Documents.

- (f) Subcontractors: The Developer shall deliver to the City, upon request, the names of persons or companies with whom the Developer or the General Contractor has contracted or intends to contract for the Development of the Project or for the furnishing of labor or materials therefor.
- (g) Bonds: The City shall have no obligation or liability in connection with any bonds, including performance or completion bonds, that may be obtained in connection with the Project.
- (h) Foundation and As-Built Surveys: A foundation survey, unless waived in writing by the City, shall be furnished to the City within ten (10) days after the laying of the foundation for the Project, showing no encroachment on any boundary line, easement, building setback line, or other restricted area. An "as-built" survey, unless waived in writing by the City, shall be furnished to the City within ten (10) days after Substantial Completion of the Project, showing no encroachment on any boundary line, easement, building setback line, or other restricted area.
- (i) [INTENTIONALLY OMITTED]
- (j) Field Progress Meetings: A Field Progress Meeting shall be held on a regularly scheduled basis as may now or hereafter determined by the City. The Developer, the General Contractor, the Developer's Inspector and a City representative shall all attend these meetings. The City may, at its option, appoint an independent inspecting representative to attend and participate in these meetings (the "*City Inspector*"). The City Inspector shall be a real estate appraiser, contractor, engineer or architect selected by the City. The costs and expenses incurred in connection with the use of the City Inspector shall be paid by the City. The costs and expenses incurred in connection with the use of the Developer's Inspector and the Approved Lender's inspector, if any, shall be paid by the Developer. The Developer shall be responsible for notifying all of the above of the time, date and place of the meeting far enough in advance so that all parties may attend.

The purpose of the Field Progress Meetings will be to inspect the Project and shall include, but not be limited to, the following: review of the Development Documents and all proposed changes to them; inspection of the Project and

the quality of construction for basic conformity with the Development Documents; determination of the accuracy of the Developer's draw requests with regard to the percentage of the construction work completed; review of invoices for amounts shown on disbursement requests; and determining whether the funds not yet disbursed under any financing provided by the City or others for the acquisition of the Property and Development are sufficient to complete the Project in accordance with the Development Documents. The Developer's Inspector and the City Inspector shall have the right to reject and require the Developer to replace any material or work that does not comply with the Development Documents. The decision of the City Inspector shall override and take precedence over any decision by the Developer's Inspector. Should there occur any discrepancy in quantity or quality in connection with the Development, the Developer is to correct any such discrepancy to the satisfaction of the City (and any inspector appointed by the City pursuant to this Section). Inspections by the City Inspector shall not be building code compliance inspections. Any failure by the City or the City Inspector to discover or to reject unsatisfactory or defective materials or workmanship shall not make the City Inspector or the City liable to the Developer or to any other person, nor shall any prior failure constitute a waiver of the City's right to subsequently reject any such workmanship or materials.

THE CITY IS UNDER NO OBLIGATION TO CONSTRUCT OR SUPERVISE THE DEVELOPMENT AND INSPECTION BY THE CITY OR THE CITY INSPECTOR OF THE PROJECT IS FOR THE SOLE PURPOSE OF PROTECTING THE CITY AND ITS RIGHTS HEREUNDER SUCH INSPECTION IS NOT TO BE CONSTRUED AS A REPRESENTATION THAT THERE WILL BE A COMPLIANCE ON THE PART OF THE DEVELOPER OR OTHERS WITH THE DEVELOPMENT DOCUMENTS OR THAT THE PROJECT WILL BE FREE FROM FAULTY MATERIAL OR WORKMANSHIP, OR ACCEPTABLE TO THE DEVELOPER OR OTHERS. THE DEVELOPER WILL MAKE OR CAUSE TO BE MADE SUCH OTHER INDEPENDENT INSPECTIONS AS THE DEVELOPER MAY DESIRE FOR ITS OWN PROTECTION.

- (k) Substantial Completion: Upon Substantial Completion, the Developer shall promptly furnish to the City satisfactory evidence that all work requiring inspection by any Legal Authority, or community associations having jurisdiction or authority, has been duly inspected and approved by such authorities and by the rating or inspection organization, bureau, association, or office having jurisdiction or authority; that the Project complies with all

Legal Requirements, including zoning; and that all requisite certificates of occupancy and other Legal Requirements have been issued.

- (l) Cost Certification: Within sixty (60) days of Substantial Completion, the Developer and the General Contractor (and all subcontractors, if requested by the City) shall, at their sole cost and expense, submit to the City a cost certification of the actual costs incurred for acquisition of the Property and Development of the Project and Project income and expenses. The City shall have the right to request that the aforesaid certification be prepared, at the Developer's and contractors' expense, by an independent certified public accountant approved by the City. The cost certification shall be on a line-by-line basis corresponding to the items of total development cost listed in the Cost Estimate. The City may, at its option, audit and inspect the Developer's books and records for the purpose of verifying the Developer's certification of costs.

8. Marketing and Resale Requirements: The Developer agrees that the Developer may only convey the Project to the Land Trust Entity and the Land Trust Entity may only convey the home and related improvements to a Qualified Purchaser. The Developer further agrees to diligently and actively market the Project for conveyance to a Qualified Purchaser. Upon completion of the Development, the Project shall be conveyed in accordance with the following terms and conditions:

- A. General Resale Requirements: The Developer agrees to make the home and related improvements available for subsequent purchase only to a Qualified Purchaser, in accordance with its obligations under the Restrictive Covenants.
- B. [INTENTIONALLY OMITTED]
- C. [INTENTIONALLY OMITTED]
- D. [INTENTIONALLY OMITTED]
- E. No Leasing of Project: The Developer and/or the Land Trust Entity may not, at any time, lease out the Project, or any portion thereof, or otherwise put anyone into possession thereof, except pursuant to the Ground Lease.
- F. Developer Fee: The Developer will be entitled to pay itself a development fee equal to five percent (5.00%) of the gross sales price paid by the Qualified

Purchaser for the home and related improvements at the Final Closing; provided, however, such a fee must have been shown on the Cost Estimate pre-approved by the City, and the Developer shall not be in default under this Agreement. Provided further that the Developer shall not be entitled to receive this fee if the Developer pays any commissions to a real estate broker and/or real estate agent in connection with said sale.

9. Monthly Status Reports: The Developer shall submit to the City, on forms prescribed by the City, on or before the tenth (10<sup>th</sup>) day of each calendar month following the Initial Closing date, a summary report of the Project.

10. Inspections: The City and its agents shall, at all times during Development and the term of this Agreement, have the right to enter and to inspect all work done, and all materials, equipment and other matters relating to the Project. The City shall also have the right to examine and copy all current Development Documents, books, subcontracts, records, documents and papers of the Developer relating to the Project, including all detailed plans, shop drawings and specifications, as often as deemed necessary by the City to verify the information in any reports required under this Agreement and to assure compliance by the Developer with the terms of the Transfer Agreement and this Agreement.

11. Records: The Developer shall furnish to the City such records, papers, and documents relating to the Project as the City may require from time to time and shall retain such Project records for five (5) years after Substantial Completion of the Project, subject to inspection and audit by the City. The Developer shall further provide the City with such financial reports and information relating to the Developer, the General Contractor and the Project as the City may from time to time request (including, without limitation, balance sheets, profit/loss statements, and tax returns), which financial reports and information shall be prepared in accordance with the requirements of the City, certified by an officer of the Developer or the General Contractor as the case may be, and, if requested by the City, prepared and certified as true and correct by an independent certified public account.

12. Transfers; Mortgages: The Developer and/or the Land Trust Entity shall not sell, transfer, assign, mortgage, pledge or convey any right, title or interest in the Project or this Agreement without the City's prior written consent. All instruments recorded in connection with the Approved Lender Loan (or any other approved loan) shall be recorded subsequently to this Development Agreement.

13. Maintenance: The Developer shall keep and maintain the Project and the Project site in a clean and orderly condition. The Developer shall promptly remove any and all waste and trash from the Project and the Project site.

14. Expenditures by the City: If the Developer fails to make payment for Development of the Project, for insurance premiums, for taxes and assessments, or for other charges or sums as required in this Agreement, the City may, but shall not be obligated to, pay for the same. The Developer shall pay to the City in cash on demand an amount equal to any payment made by the City pursuant to this Section, plus interest thereon at a rate equal to eight and three-quarters of one percent (8.75%) per annum.

15. Liability; Indemnity: The City, or its agents and employees, shall not be liable hereunder for any act or omission by it or them. No claim shall be made by the Developer upon the City for or on account of any matter or thing arising pursuant to this Agreement or other agreements entered into with respect to this Agreement or the Project. The Developer further agrees to defend, indemnify and hold harmless the City from and against any and all claims, losses, costs, damages, expenses and liabilities, including, without limitation, attorneys' fees, caused by an accident or other occurrence causing bodily injury (including death) or property damage to any person or property arising out of or in connection with the Project, the Development, or the use, occupancy of the Project by the Developer, the Land Trust Entity, the General Contractor, the Architect, the Developer's Inspector, or others, their respective agents, participants, employees, or invitees.

16. Events of Default: The occurrence of any one or more of the following shall be considered an "*Event of Default*" hereunder:

- (a) If the Developer fails to observe or perform any term, condition, or covenant in this Agreement and the same is not cured or rectified within ten (10) days after written notice thereof is sent to the Developer or the Developer does not (in the City's sole determination) begin to cure or rectify such matter within said ten (10) days and thereafter diligently and continuously pursue the cure and rectification of same; provided, however, that there shall be no obligation of the City to give notice and no right of the Developer to cure if the event or condition is either the institution of a voluntary bankruptcy, insolvency or receivership action, the giving of any material false or fraudulent representation to the City, or the failure to keep the Project free and clear of consensual liens not approved in writing in advance by the City; or

- (b) If at any time any representation or warranty made by the Developer or on behalf of the Developer in this Agreement or otherwise shall prove to be false, misleading or incorrect in any material respect; or
- (c) If any report, certificate, financial statement or other document furnished in connection with this Agreement shall prove to be false or misleading in any material respect; or
- (d) If the Developer fails to commence Development of the Project within the period specified in Section 7(a) above; or
- (e) If the Project is, in the judgment of the City, materially damaged or destroyed by fire, act of God, or otherwise and the City has determined that it cannot be restored so that the Project can be completed on or before the Completion Date and within the other terms and conditions hereof; or
- (f) If the Developer does not develop the Project according to the Development Documents and according to all Legal Requirements now existing or hereafter enacted, adopted or promulgated; or
- (g) If, for any cause whatever, except for strikes, acts of God and other cause beyond the reasonable control of the Developer, the Development of the Project is at any time discontinued for a period of fifteen (15) days, or Development is not carried on with such reasonable dispatch, in the judgment of the City, as to permit completion of the work on or before the Completion Date, or if such Development, as determined by the City, has not been completed or is not progressing in accordance with the Development Documents; or
- (h) Except for good faith disputes that are approved by the City, if the Developer fails to pay any sums due and owing to a contractor, subcontractor, or supplier, upon his demand or upon the demand of the City, for work done on or in connection with the Project; or
- (i) Except as otherwise provided in Section 16(j) below, if the Property, Project, or any part thereof, including any equipment, building materials or any personalty relating thereto, are subject to a lien or security agreement other than the City Mortgage and any liens permitted hereunder; or



- (j) If the Developer does not discharge, bond, or obtain title insurance against any mechanics' liens against the Property, Project, or any part thereof, including any equipment, building materials or any personalty relating thereto, within twenty (20) days of the filing thereof; or
- (k) If a default occurs under any loans or loan documents related to the Project, including, without limitation, the Approved Lender Loan, and is not cured within the applicable grace period provided therein; or
- (l) If the Developer shall default on any other obligation of the Developer to the City when due or in the performance of any obligation incurred for money borrowed; or
- (m) Should a custodian, trustee or receiver, as those terms may be defined in the Bankruptcy Code, be appointed for or take possession of any or all of the assets of the Developer or should the Developer either voluntarily or involuntarily become subject to any insolvency proceeding, any proceeding to dissolve the Developer, any proceeding to have a receiver appointed, or should the Developer make an assignment for the benefit of creditors, or should there be an attachment, execution, or other judicial seizure of all or any portion of the Developer's assets, and such seizure is not discharged within ten (10) days; or
- (n) Final judgment for the payment of money shall be rendered against the Developer in excess of Five Thousand and No/100ths (\$5,000.00) Dollars, and shall remain undischarged for a period of thirty (30) days, unless such judgment and execution thereon shall be effectively stayed; or
- (o) Dissolution or termination of the existence of the Developer or its subsidiaries, if any; or
- (p) Any court of competent jurisdiction (including without limitation the U.S. Bankruptcy Courts) enjoins or prohibits the Developer from performing under this Agreement or any of the City Grant Documents, and such proceedings are not discontinued or such decree is not vacated within forty-five (45) days after the granting thereof; or
- (q) Any suit, or combination of suits, shall be filed against the Developer which in the reasonable judgment of the City has a substantial likelihood of being determined adversely, and which if adversely determined could reasonably

be expected substantially to impair the ability of the Developer to perform each and every one of its obligations under and by virtue of this Agreement.

17. **Remedies:** Upon an Event of Default, the City, may, at its option, in addition to all other rights and remedies available to it under this Agreement, under the City Grant Documents, under the City Loan Documents, and/or under South Carolina law or federal law, elect to do one or more of the following:

- (a) **Terminate Agreement:** The City may elect to terminate this Agreement, and use and apply any funds deposited with it by the Developer, regardless of the purposes for which such funds were deposited, in such manner and for such purposes as the City may determine in its sole discretion.
- (b) **Exercise Option to Purchase:** Upon an Event of Default, the City or its designee (which designee may include, without limitation, another non-profit organization or developer chosen by the City and approved by the Approved Lender) may, at its option, elect to purchase the Project at any time during the term of this Agreement. The City or its designee shall exercise its option to purchase by notifying the Developer in writing of its election. If the City or its designee elects to exercise its option and purchase the Project, the City or its designee will purchase the Project from the Developer and the Developer will sell the Project to the City or its designee on the terms set forth in this Section 17(b). The total purchase price to be paid by the City or its designee for the Project shall be the sum of One and No/100ths (\$1.00) Dollars, plus assumption by the City or its designee of the then outstanding balance of the Approved Lender Loan. The closing of the City's or its designee's purchase of the Project shall take place no later than thirty (30) days after the Developer's receipt of the City's or its designee's notice of its election to purchase, at the office of the City's or its designee's attorneys in Charleston, South Carolina, at a time and date determined by the City or its designee. The Developer shall convey good and marketable and insurable title to the Project by General Warranty Deed, free and clear of all mortgage, liens and encumbrances excepting those matters which the City or its designee agrees to in writing. All ad valorem taxes due with respect to the Project for the calendar year of the closing shall be prorated between the parties as of the closing date. The Developer shall be responsible for the fees and expenses of the Developer's attorneys, the fees for the preparation of the deed, the fees or taxes for documentary stamps due with respect to the deed by which the Project is conveyed to the City or its designee, and any other costs and expenses actually incurred by the Developer. The City or its

designee shall be responsible for all other closing costs. Upon the delivery and recording of the above-described deed to the City or its designee, this Agreement shall terminate; provided, however, the City, at its option, may require its designee purchasing the Project to enter into a development agreement similar to this Agreement, which development agreement must be satisfactory to the City.

- (c) Complete Project: The City or its designee (which designee may include, without limitation, another non-profit organization or developer chosen by the City and approved by the Lender) may elect not to terminate this Agreement and, in such case, it may enter into possession of the Project and cause the performance of any and all work and labor necessary to complete the Development substantially according to the Development Documents and employ watchmen to protect the Project site from injury. The City may advance any proceeds of the City Grant remaining unadvanced together with any additional sums required to complete and protect the Project. The Developer hereby irrevocably constitutes and appoints the City or the City's designee as the Developer's attorney-in-fact (which appointment shall be deemed coupled with an interest) for and in its name or the name of the Developer to perform all of the obligations of the Developer made under the terms of this Agreement and the City Grant Documents, with such amendments as the City or its designee shall deem appropriate, and the Developer further empowers the City or its designee to do the following:
- (1) to exercise all rights and powers of the Developer under the Development Documents, the contracts with the Architect and the Developer's Inspector, and such other agreements as the Developer has executed or should have executed or intends to execute in connection with the completion of the Project;
  - (2) to request, receive and use any funds of the Developer, including any balance which may be held in escrow or on deposit, letters of credit, and any funds which may remain unadvanced under the City Grant, the Approved Lender's Loan, or any other loans for the purpose of completing the Project in the manner called for by the Development Documents or for any other purpose;
  - (3) to make such additions, changes, and corrections in the Development Documents as shall be necessary or desirable to complete the Project

in substantially the manner contemplated by the Development Documents;

- (4) to employ such contractors, subcontractors, agents, architects, and inspectors as shall be required for said purposes;
- (5) to pay, settle, or compromise all existing bills and claims which may be liens against the Project or as may be necessary or desirable for the completion of the Project, or for clearance of title thereto;
- (6) to execute all applications and certificates in the name of the Developer which may be required by any of the Development Documents;
- (7) to prosecute and defend all actions or proceedings involving the Project or the Development of the Project and to take such action and require such performance as it deems necessary;
- (8) to make changes in the Project to conform to the Development Documents;
- (9) to negotiate, sell and convey the Project to a Qualified Purchaser, or any other party or parties, including, without limitation, a non-Qualified Purchaser, upon such terms and conditions as the City or its designee, in its sole discretion, shall determine, and to take such actions and make, execute and deliver any and all deeds, closing statements, documents, instruments and affidavits necessary to consummate and conclude such sale and conveyance, and to request, receive, use and apply any funds otherwise payable to the Developer from such sale, regardless of the nature of such funds, in such manner and for such purposes as the City or its designee may determine in its sole discretion; and
- (10) to do and perform all and every act and thing whatsoever authorized, permitted, requisite, or necessary to be done by the Developer to complete the Project and pay all costs, in the City's or its designee's sole discretion, in connection therewith, including, but not limited to, the payment of interest and principal on the City Grant and the Lender's Loan.

It is hereby acknowledged, understood and agreed that the aforesaid provisions of this Section 17(c) impose no duty or obligation on the City or its designee to do or perform any act whatsoever. It is further understood and agreed that, even in the event that the City or its designee does, in fact, exercise its rights under the aforesaid provisions of this Section 17(c), that, notwithstanding such exercise, the City or its designee, unless it otherwise consents in writing, will not assume or be deemed to have assumed any of the Developer's liabilities or obligations, including, without limitation, any liability of the Developer under the Development Documents or under the Approved Lender Loan.

- (d) The City may apply to any court, State or federal, for specific performance of this Agreement, for an injunction against any violation of this Agreement, for the appointment of a receiver to take over and operate the Project in accordance with the terms of this Agreement, or for such other legal or equitable relief that may be appropriate; in this regard, the Developer acknowledges that any injury to the City arising from a default under any of the terms of this Agreement would be irreparable and the amount of damage would be difficult to ascertain.

Notwithstanding anything contained herein to the contrary, no action by the City or its designee under this Section or otherwise under this Agreement shall relieve the Developer of its responsibility to furnish any additional funds needed to complete the Project or to reimburse the City or its designee under this Agreement or otherwise for any funds expended by the City or its designee in connection therewith. The Developer hereby assigns and quit claims to the City or its designee all sums due in escrow unconditioned upon the use of said sums for the completion of the Project, such assignment to become effective only in the case of an Event of Default.

No failure by the City or its designee to exercise and no delay in exercising any right, power, or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege preclude any other exercise thereof or the exercise of any other right, power, or privilege.

18. Notices: Any notice, demand, or communication called for hereunder shall be in writing, shall be signed by the party giving same, and shall be given, served, or delivered either in person, or by first-class, certified mail, return receipt requested, postage prepaid, or by Federal Express (or other nationally recognized overnight courier), return receipt requested, with postage or delivery charge prepaid, and if to the Developer, addressed to the Developer at the Developer's mailing address set forth below in this

Section, and if to the City, addressed to the City's mailing address set forth in this Section, or to such other address as either party may designate by notice to the other. Any and all such notices, demands or other communications shall be deemed to be given and received hereunder on the date of delivery if personally delivered, and two (2) days after the date of mailing if mailed as aforesaid, and one (1) day after it was placed with the overnight courier as aforesaid. Such notices, demands or other communications shall be addressed as follows:

If to Developer:

Co-Executive Director  
Charleston Redevelopment Corporation  
75 Calhoun Street, Suite 3200  
Charleston, South Carolina 29401  
Fax #: \_\_\_\_\_

If to City:

The City of Charleston  
Department of Housing and Community Development  
75 Calhoun Street, Suite 3200  
Charleston, South Carolina 29401-3506  
Attention: Geona Shaw Johnson, Director  
Fax #: 843-965-4180

Copy to:

City of Charleston  
Legal Department  
50 Broad Street  
Charleston, South Carolina 29401

19. Miscellaneous:

- (a) Quality of Documents and Items: Each document and item required under this Agreement to be submitted to the City shall be satisfactory in form and substance to the City and its legal counsel.
- (b) Approvals: Except as otherwise provided herein, whenever any approval or notice by the City is required or permitted, only the Mayor of the City of Charleston and/or the Director of the City's Department of Housing and

Community Development shall have the power and right to approve, give notice or act on behalf of the City.

- (c) Rights of Successors and Assigns: The covenants and agreements contained in this Agreement shall apply to, inure to the benefit of, and be binding upon the parties, their heirs, assigns, legal representatives, and other successors in interest, except as otherwise provided in this Agreement.
- (d) Waiver: The failure of either party to require strict compliance with the provisions of this Agreement shall not constitute a waiver of any rights or otherwise prevent either party from subsequently requiring strict compliance with any provisions hereof. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the waiving party.
- (e) Whole Agreement: This Agreement constitutes the whole agreement between the parties, and may not be amended unless by a writing signed by both parties. No representation, condition, term or provision not contained in this Agreement shall be binding upon either party. When appropriate, words of any gender shall mean and include the other genders, and singular shall mean and include the other plural, and vice versa.
- (f) Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument.
- (g) Recording: The City may, at its option, record this Agreement and/or a memorandum thereof and, if the City so requests, the Developer agrees to execute, have acknowledged and deliver this Agreement and/or a memorandum of this Agreement in recordable form which the City may thereafter file for record.
- (h) Attorneys' Fees. If any action at law or in equity shall be brought on account of any breach of, or to enforce or interpret any of the covenants, terms, or conditions of this Agreement, or for the recovery of the possession of the Project, or otherwise in connection with this Agreement, the prevailing party shall be entitled to recover from the other party as part of the prevailing party's cost, reasonable attorneys' fees, the amount of which shall be fixed by the court and shall be made a part of any judgment rendered.

- (i) Captions: The captions and headings used in this Agreement are for the purpose of convenience and shall not be construed to limit or extend the meaning of any part of this Agreement.
- (j) Time: **TIME IS OF THE ESSENCE** for the performance of each term, condition and covenant of this Agreement.
- (k) Covenants and Conditions: All provisions of this Agreement, whether covenants or conditions, on the part of the Developer shall be deemed to be both covenants and conditions.
- (l) City's Consent: Whenever in this Agreement the City's consent is required, the City may withhold its consent, as it may determine appropriate, in its sole and absolute discretion.
- (m) Governing Law: This Agreement shall be construed in accordance with and governed by the laws the State of South Carolina.
- (n) Non-Impairment: If any one or more provisions contained in this Agreement shall be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Agreement shall not in any way be affected or impaired thereby and this Agreement shall otherwise remain in full force and effect.
- (o) Exhibits: The Exhibits referenced in this Agreement and attached hereto are incorporated in and made a part of this Agreement.
- (p) [INTENTIONALLY OMITTED]
- (q) No Third Party Beneficiaries: This Agreement is made and entered into for the sole protection and benefit of the City and the Developer, their successors and assigns, and no third person or persons shall have any right to action hereon at any time, nor shall the City owe any duty whatsoever to any claimant for labor performed or material furnished in connection with the Project or the Development, or to exercise any right or power of the City hereunder or arising from any default by the Developer.
- (r) Continuance of Agreement; Survival of Representations and Warranties: This Agreement shall continue in full force and effect until such time as the Land Trust Entity and the Qualified Purchaser have, at the Final Closing,



entered into the Ground Lease, and title of the home and related improvements have been conveyed to the Qualified Purchaser; provided, however, that all covenants and indemnities set forth herein which contemplate the payment of sums, or the performance by the Developer after the expiration or termination of the term of this Agreement or following an Event of Default, including all obligations to indemnify the City, shall survive any such expiration, termination or Event of Default. Notwithstanding the foregoing or anything else contained in this Agreement, the Restrictive Covenants shall survive the termination of this Agreement and shall continue in full force and effect until such time that the Restrictive Covenants expire, if at all, in accordance with the express terms of the Restrictive Covenants.

- (s) Days; Dates: Unless other specified herein, all references to “day” or “days” in this Agreement shall mean a calendar day or calendar days. If any date set forth in this Agreement or computed pursuant to this Agreement falls on a Saturday, Sunday, or national holiday, such date shall be deemed automatically amended to be the first business day following such weekend day or holiday.

**\*\*\*Remainder of Page Intentionally Left Blank\*\*\***  
[Signatures on Following Pages]





LIST OF EXHIBITS, ADDENDUMS AND OTHER ATTACHMENTS

<u>Exhibit A</u>	-	Property Description
<u>Exhibit B</u>	-	Cost Estimate
<u>Exhibit C</u>	--	Development Schedule
<u>Exhibit D</u>	-	Drawings
<u>Exhibit E</u>	--	Schedule of Project Costs Not Included in Construction Contract

**EXHIBIT A  
TO  
DEVELOPMENT AGREEMENT**

**Property Description**

ALL that certain lot, piece or parcel of land, lying and being in the County of Charleston, State of South Carolina, and comprising LOT NO. 181, Block O, on a map of the subdivision called "Richland Village" made by G. H. Howe, Surveyor, and dated June, 1920 and recorded in the RMC Office for Charleston County in Plat Book C at Page 160, and having such size, shape, location, dimensions and bounds as may be seen by reference to the said plat.

TMS # 464-01-00-109

**EXHIBIT B  
TO  
DEVELOPMENT AGREEMENT**

**Cost Estimate**

*[see attached.]*

**EXHIBIT C  
TO  
DEVELOPMENT AGREEMENT**

**Development Schedule**

*[see attached.]*

**EXHIBIT D  
TO  
DEVELOPMENT AGREEMENT**

**Drawings**

All plans, specifications and drawings are on file and may be located at the City of Charleston, Department of Housing and Community Development, 75 Calhoun Street, Third Floor, Charleston, SC 29401.



**EXHIBIT E  
TO  
DEVELOPMENT AGREEMENT**

**Schedule of Project Costs Not Included in Construction Contract**

*[see attached.]*

**Project's Sources and Uses Statement/Development Budget**

**DRAFT - PRELIMINARY - DRAFT**

Project:	2321 Birdie Garrett Street Single Family Charleston TMS# 464-01-00-109		
Borrower:	Charleston Redevelopment Corporation		
Prepared as of:	06/01/20	Total Sq. Ft:	1,176
		Cost per SF	\$ 287.52

**Sources**

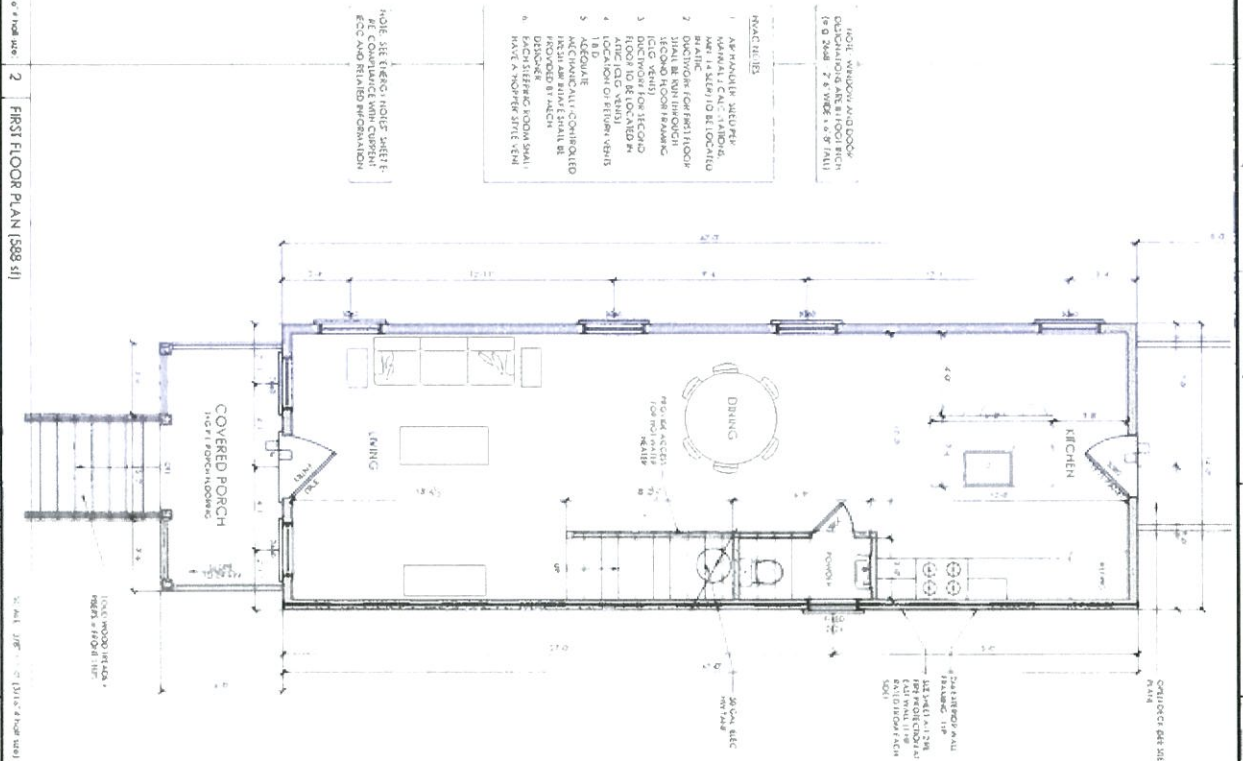
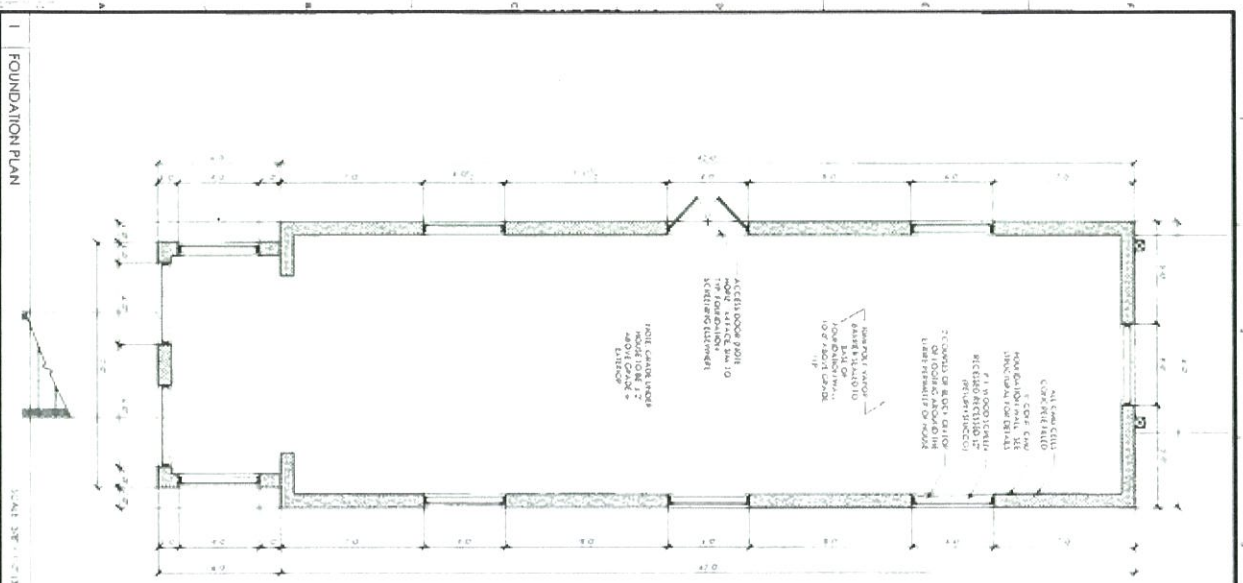
Name of Funding Source	CRC	Subsidy	Loan	Total Sources	Percent	Status
CRC LDC Settlement Funds	\$130,125			\$130,125	38%	
Transfer Agreement		\$18,000		\$18,000	5%	
HOME Funds		\$40,000		\$40,000	12%	
Construction Loan			\$150,000	\$150,000	44%	
				\$0	0%	
<b>Total Sources</b>	\$130,125	\$58,000	\$150,000	\$338,125	100%	

**Uses**

	Total Cost	Source	Source:	Source:	Should Equal Zero	% of TDC
		LDC Funds	Subsidy	Loan		
<b>Soft Costs</b>						
Architecture and Engineering	\$9,500	\$9,500			\$0	2.8%
Appraisal	\$500	\$500			\$0	0.1%
Closing Costs and Loan Fees	\$3,000	\$3,000			\$0	0.9%
Market Analysis Report					\$0	0.0%
Environmental Report					\$0	0.0%
Insurance					\$0	0.0%
Permits/Fees					\$0	0.0%
Marketing: RE Commission	\$11,700		\$11,700		\$0	3.5%
Real Estate Taxes					\$0	0.0%
Construction Administration	\$4,000	\$4,000			\$0	1.2%
Survey	\$2,000	\$2,000			\$0	0.6%
Title/Escrow Fees					\$0	0.0%
Furniture, Fixtures, and Equipment					\$0	0.0%
Legal and Accounting	\$4,500	\$4,500			\$0	1.3%
Working Capital (Interest Carry)					\$0	0.0%
Syndication Costs					\$0	0.0%
Operating / Vacancy / Lease Up Reserves					\$0	0.0%
Maintenance / Replacement Reserves					\$0	0.0%
Developer's Fee	\$15,000	\$15,000			\$0	4.4%
Soft Cost Contingency	\$4,000	\$4,000			\$0	1.2%
Other: Impact Fees (water)					\$0	0.0%
Other: Sewer Costs	\$8,500	\$8,500			\$0	2.5%
<b>Subtotal Soft Costs</b>	\$62,700	\$51,000	\$11,700	\$0	\$0	18.5%
<b>Hard Costs</b>						
Acquisition	\$18,000		\$18,000		\$0	5.3%
Construction Costs	\$245,000	\$70,000	\$25,000	\$150,000	\$0	72.5%
Rehabilitation Costs					\$0	0.0%
On-site Improvements					\$0	0.0%
Hard Cost Contingency	\$4,000	\$700	\$3,300		\$0	1.2%
Other: Flatwork (not in original plan)	\$5,000	\$5,000			\$0	1.5%
Other: Lot Clearance	\$3,425	\$3,425			\$0	1.0%
<b>Subtotal Hard Costs</b>	\$275,425	\$79,125	\$46,300	\$150,000	\$0	81.5%
<b>Total Development Costs</b>	\$338,125	\$130,125	\$58,000	\$150,000	\$0	100.0%

<b>HOMEBUYER SUBSIDY Calculation</b> <b>Charleston Redevelopment Corporation</b> <b>CASE SUMMARY</b>						
<b>BORROWER INFORMATION</b>						
				Age		MONTHLY INCOME
BORROWER:						\$0.00
CO-BORROWER:						
PROPERTY ADDRESS:						
CREDIT RATING:						
EMPLOYER:						
OCCUPATION:						
HOUSEHOLD SIZE:						
% OF MEDIAN INCOME :		0%				
<b>PROJECT INFORMATION</b>						
# OF UNITS						1
# OF BEDROOMS						3
Total Development Costs					\$ 338,125.00	
APPRAISED VALUE (Anticipated Post Construction)					\$ 237,000.00	
SALES PRICE					\$ 179,000.00	
FIRST MORTGAGE FROM BANK					\$ 179,000.00	75.5% Loan to Value
DOWN PAYMENT FROM BUYER						
CLOSING COSTS FINANCED		estimate				
City Subsidy - Section 108 or EDI Funds					\$ 40,000.00	
City Home Investment Partnership Funds					\$ -	
City property acquisition funds					\$ 18,000.00	
Total City Subsidy					\$ 58,000.00	
<b>INCOME AND PAYMENT INFORMATION</b>						
TOTAL ANNUAL INCOME						
MONTHLY INCOME					\$0.00	
OTHER MONTHLY DEBT					\$0.00	
TOTAL MONTHLY PAYMENTS (PITI)					\$497.22	
TOTAL MONTHLY DEBT					\$497.22	
HOUSING TO INCOME RATIO					#DIV/0!	
DEBT TO INCOME RATIO					#DIV/0!	
RESIDUAL INCOME					(\$497.22)	
<b>RECOMMENDED FIRST , SECOND &amp; THIRD MORTGAGE LOANS</b>						
				INT. RATE	TERM/YRS	MONTHLY PAYMENT
					30	\$ 179,000.00 \$497.22 (P&I)
City Subsidy - HUD 108 or EDI funds				N/A	90	\$ 40,000.00 \$0.00 Subsidy
City's equitable interest through land transfer				N/A	90	\$ 18,000.00 \$0.00 Land
BUYER'S DOWN PAYMENT				N/A	N/A	\$ - \$0.00 DP
						ESCROW \$0.00 (T&I)
						=====
TOTAL					TOTAL	\$237,000.00 \$497.22 (PIT&I)
<b>APPROVALS AND SIGN-OFFS</b>						
Approval						
Denied						
Chairperson						
Date						
Comments						





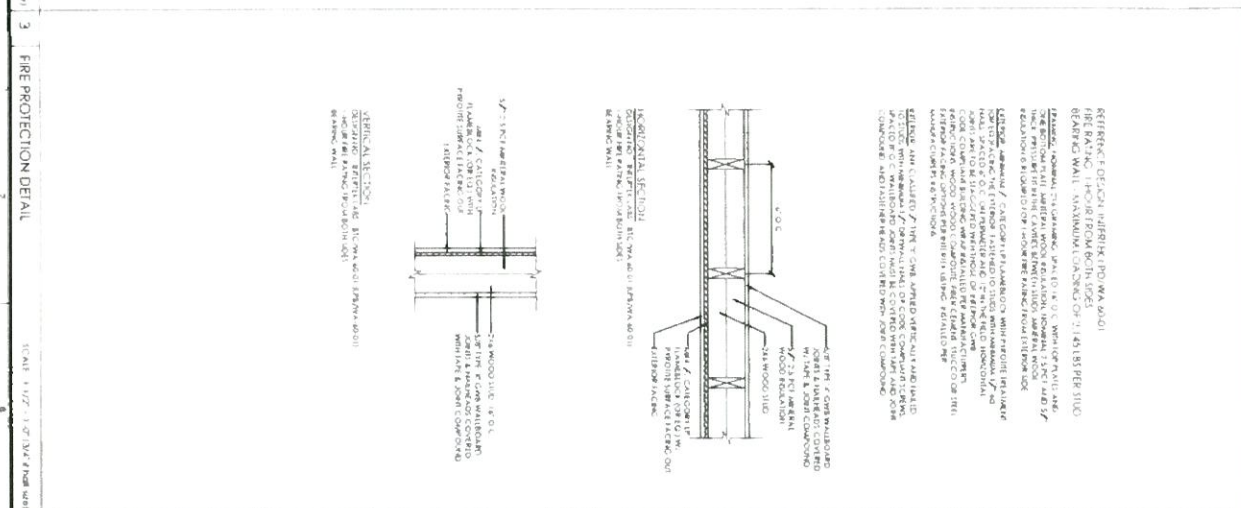
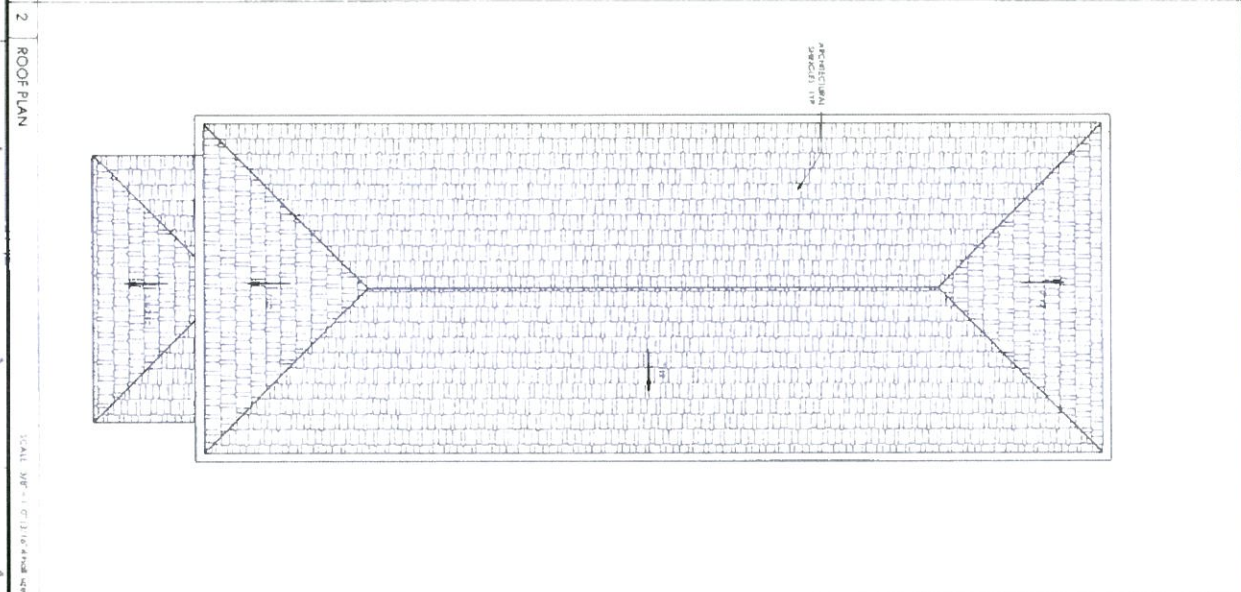
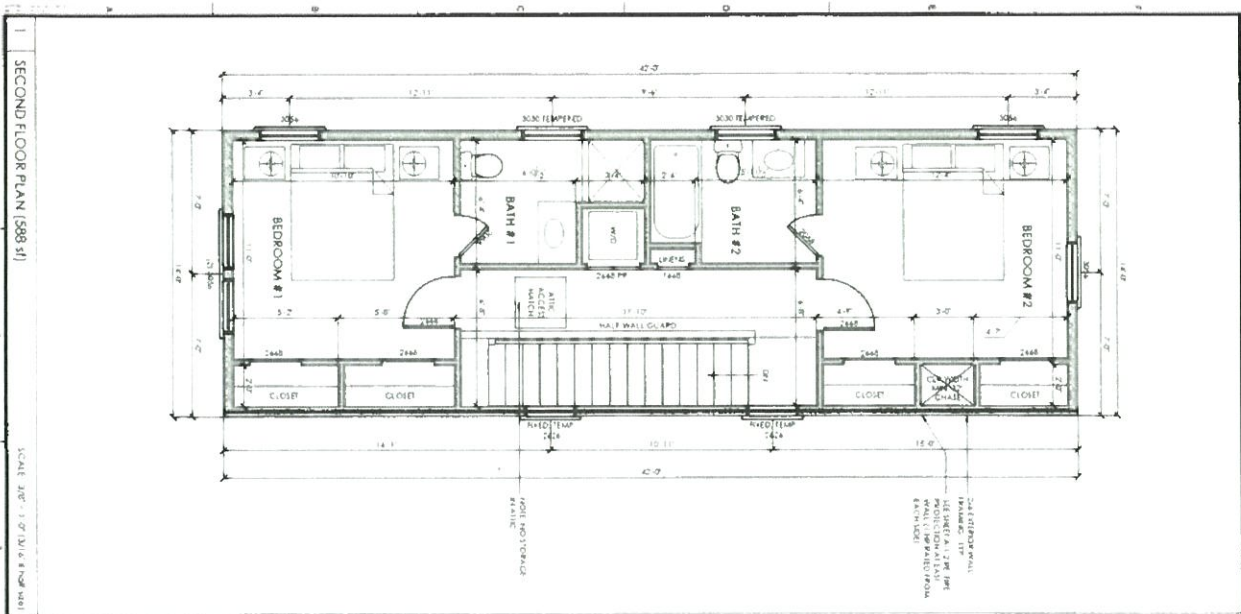
**GENERAL NOTES**

- CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF CHARLESTON.
- ALL MATERIALS AND WORKMANSHIP SHALL BE SUBJECT TO INSPECTION AND APPROVAL BY THE CITY OF CHARLESTON.
- CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
- CONTRACTOR SHALL BE RESPONSIBLE FOR PROTECTING ALL EXISTING UTILITIES AND STRUCTURES.
- CONTRACTOR SHALL MAINTAIN ADEQUATE SAFETY AND SECURITY ON THE CONSTRUCTION SITE.
- CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF CHARLESTON.
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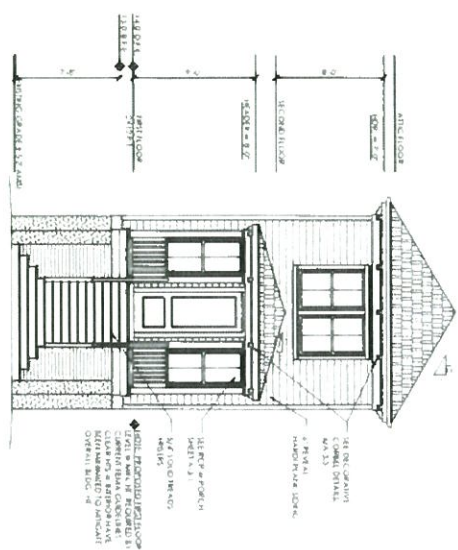
**CONSTRUCTION NOTES**

- ALL INTERIORS TO BE FINISHED WITH 1/2" GYP BOARD.
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<b>NOT ISSUED FOR CONSTRUCTION</b>		CLIENT: CHARLESTON REDEVELOPMENT CORP 75 CALHOUN STREET, SUITE 3200, CHARLESTON, SC 29401 PROJECT NAME: BIRDIE GARRETT STREET RESIDENTIAL DEVELOPMENT PROJECT LOCATION: 2221 BIRDIE GARRETT STREET, CHARLESTON, SC 29405	<p>         JVA          ARCHITECTS          1000 MARKET STREET, SUITE 1000          CHARLESTON, SC 29403          TEL: 803.733.1111          WWW.JVA-ARCHITECTS.COM       </p>
SHEET NO: A-101 TOTAL SHEETS: 10	DATE: 10/15/2014	DRAWN BY: [Name] CHECKED BY: [Name] APPROVED BY: [Name]	PROJECT NO: 2014-001

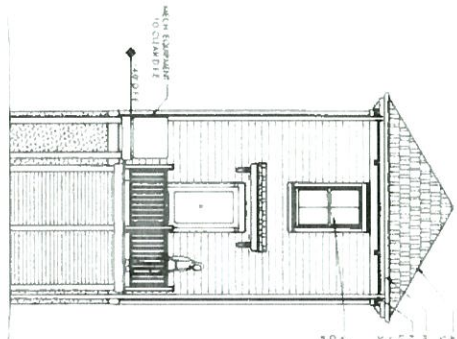


<b>A-102</b> A	AS NOTED <small>CONTRACT NO. 59834</small> <small>DATE 03/09/03</small> <small>DESIGNER CHN</small> <small>DRAWN GDD/0303</small> <b>FLOOR PLANS</b> (1176 SF)	<b>NOT ISSUED FOR CONSTRUCTION</b>	CHARLESTON REDEVELOPMENT CORP 75 CALHOUN STREET, SUITE 3200, CHARLESTON, SC 29401 PROJECT NAME <b>BIRDIE GARRETT STREET RESIDENTIAL DEVELOPMENT</b> PROJECT LOCATION 2321 BIRDIE GARRETT STREET, CHARLESTON, SC 29405
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1 FRONT (west) ELEVATION

SCALE: 1/4" = 1'-0" (1/8" = 1'-0")



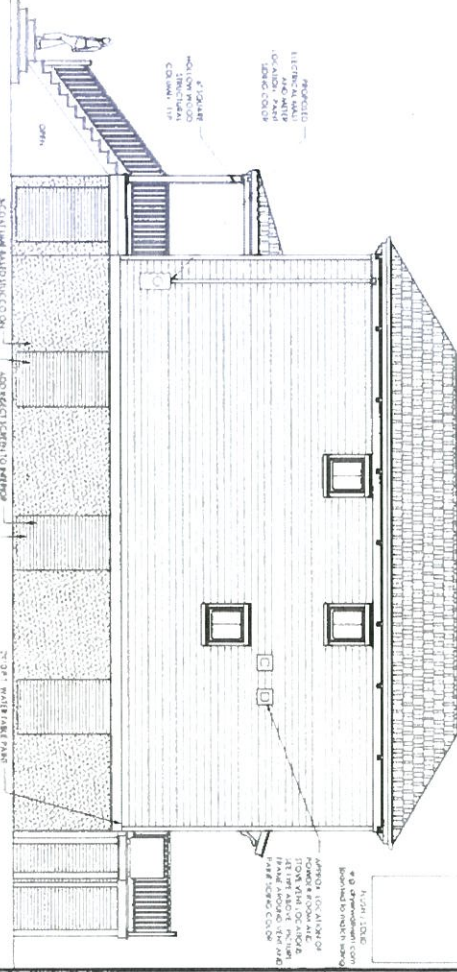
3 REAR (east) ELEVATION

SCALE: 1/4" = 1'-0" (1/8" = 1'-0")



2 RIGHT SIDE (south) ELEVATION

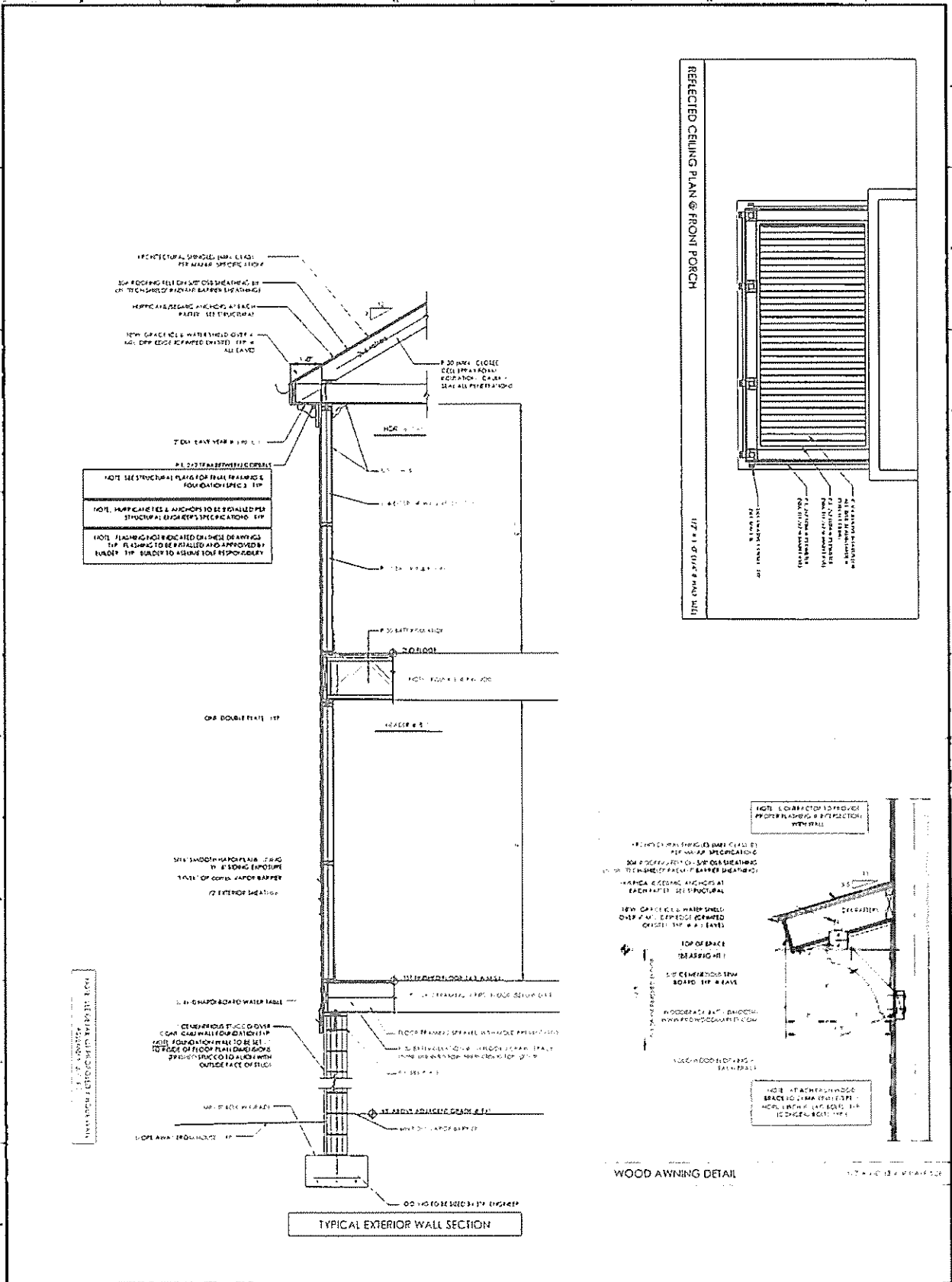
SCALE: 1/4" = 1'-0" (1/8" = 1'-0")



4 LEFT SIDE (north) ELEVATION

SCALE: 1/4" = 1'-0" (1/8" = 1'-0")

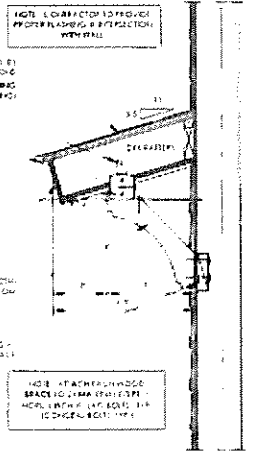
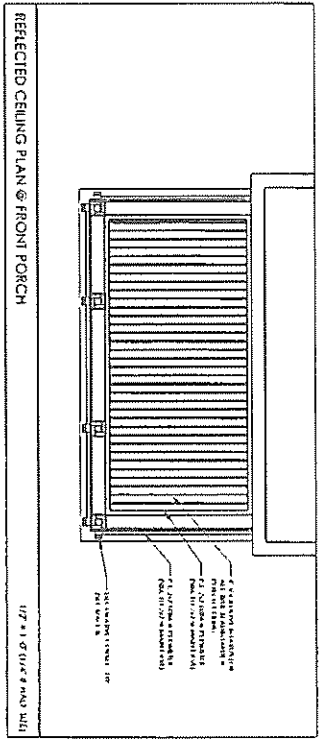
<p><b>NOT ISSUED FOR CONSTRUCTION</b></p>	<p>PROJECT NO: 2007-2008</p> <p>DATE: 01/11/08</p> <p>SCALE: 1/4" = 1'-0" (1/8" = 1'-0")</p>	<p><b>CHARLESTON REDEVELOPMENT CORP</b> 75 CALHOUN STREET SUITE 3200 CHARLESTON, SC 29401</p> <p>PROJECT NAME: <b>BIRDIE GARRETT STREET RESIDENTIAL DEVELOPMENT</b></p> <p>PROJECT LOCATION: 2321 BIRDIE GARRETT STREET CHARLESTON, SC 29405</p>	<p><b>JVA</b></p> <p>JOHN VAN ALSTINE ARCHITECTS, P.A. 100 CALHOUN STREET, SUITE 300 CHARLESTON, SC 29401 TEL: 703.441.1111 WWW.JVA-ARCHITECTS.COM</p>
	<p>PROJECT NO: 2007-2008</p> <p>DATE: 01/11/08</p> <p>SCALE: 1/4" = 1'-0" (1/8" = 1'-0")</p>	<p><b>EXTERIOR ELEVATIONS</b></p> <p>DATE: 01/11/08</p> <p>SCALE: 1/4" = 1'-0" (1/8" = 1'-0")</p>	<p>PROJECT NO: 2007-2008</p> <p>DATE: 01/11/08</p> <p>SCALE: 1/4" = 1'-0" (1/8" = 1'-0")</p>



NOTE: SEE STRUCTURAL PLANS FOR FULL FINISHES & JOIST SPACING. SEE SPEC. 11P.

NOTE: HANGERS & ANCHORS TO BE INSTALLED PER STRUCTURAL DESIGNER'S SPECIFICATIONS. SEE SPEC. 11P.

NOTE: FINISHES NOT INDICATED IN THESE DRAWINGS ARE TO BE INSTALLED AND APPROVED BY OWNER. THE OWNER TO ASSURE TOTAL RESPONSIBILITY.



<b>TYPICAL WALL SECTION</b>									
<b>A-301</b>	NO. OF SHEETS: 1								
	DATE: 08/14/19								
	SCALE: AS SHOWN								
	PROJECT: TYP. WALL SECTION - RCP (PORCH) + WOOD AWNING								
<table border="1"> <tr> <th>REV</th> <th>DATE</th> <th>BY</th> <th>DESCRIPTION</th> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>		REV	DATE	BY	DESCRIPTION				
REV	DATE	BY	DESCRIPTION						

**NOT ISSUED FOR CONSTRUCTION**

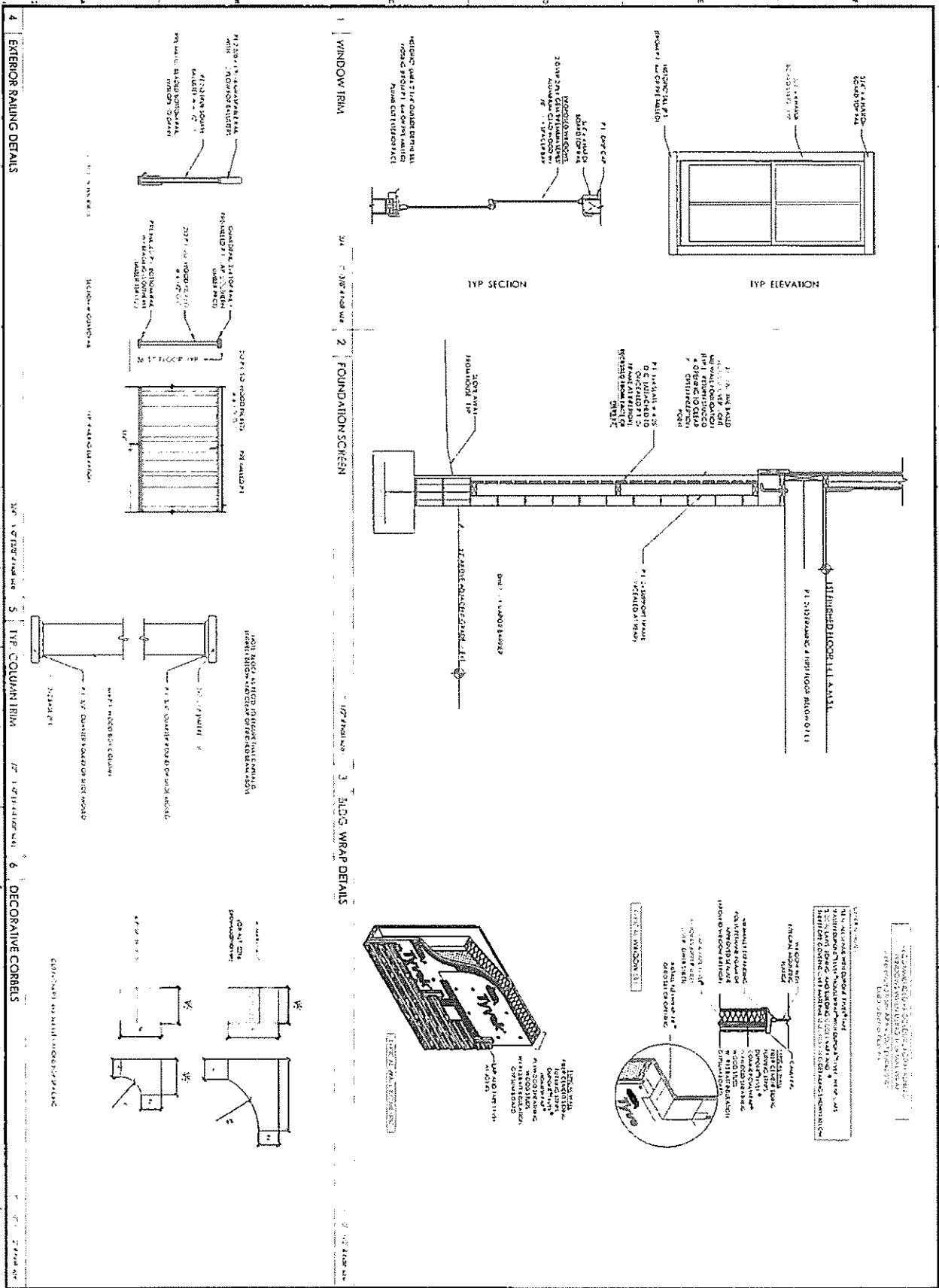
**BIRDIE GARRETT STREET RESIDENTIAL DEVELOPMENT**

PROJECT LOCATION: 2221 BIRDIE GARRETT STREET, CHARLESTON, SC 29405

**CHARLESTON REDEVELOPMENT CORP**  
75 CALHOUN STREET, SUITE 3000, CHARLESTON, SC 29401

**JV**  
JOHN J. TAYLOR & ASSOCIATES, INC.  
1000 MARKET STREET, SUITE 1000, CHARLESTON, SC 29403





<b>NOT ISSUED FOR CONSTRUCTION</b>	<b>CHARLESTON REDEVELOPMENT CORP</b> 75 CALHOUN STREET SUITE 3250 CHARLESTON, SC 29401 PROJECT NAME: <b>BIRDIE GARRETT STREET RESIDENTIAL DEVELOPMENT</b> PROJECT LOCATION: 2321 BIRDIE GARRETT STREET CHARLESTON SC 29405																																
	<b>REVISIONS</b> <table border="1"> <thead> <tr> <th>NO.</th> <th>DATE</th> <th>DESCRIPTION</th> </tr> </thead> <tbody> <tr> <td>1</td> <td></td> <td></td> </tr> <tr> <td>2</td> <td></td> <td></td> </tr> <tr> <td>3</td> <td></td> <td></td> </tr> <tr> <td>4</td> <td></td> <td></td> </tr> <tr> <td>5</td> <td></td> <td></td> </tr> <tr> <td>6</td> <td></td> <td></td> </tr> <tr> <td>7</td> <td></td> <td></td> </tr> <tr> <td>8</td> <td></td> <td></td> </tr> <tr> <td>9</td> <td></td> <td></td> </tr> <tr> <td>10</td> <td></td> <td></td> </tr> </tbody> </table>		NO.	DATE	DESCRIPTION	1			2			3			4			5			6			7			8			9			10
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<b>TYPICAL DETAILS</b> DRAWN BY: JLS CHECKED BY: JLS DATE: 05/05/2010	<b>A-302</b> A	PROJECT LOCATION: 2321 BIRDIE GARRETT STREET CHARLESTON SC 29405																															



d.)

**REAL ESTATE COMMITTEE**  
**GENERAL FORM**

TO: Real Estate Committee DATE: June 1, 2020

FROM: Geona Shaw Johnson DEPT: HCD

ADDRESS: 2321 Birdie Garrett Street, Charleston, South Carolina

TMS: 464-01-00-109

PROPERTY OWNER: City of Charleston


To modify the Original Transfer Agreement to, among other things, (i) allow the City to waive redevelopment contingencies if the City so wishes, and (ii) allow the Developer to transfer and convey the Project to a land trust entity which is (or will be) organized under the laws of the State of South Carolina as a nonprofit corporation and which entity shall be solely owned and controlled by Developer; The Original Transfer Agreement conveying the property to the organization was approved by Council on November 12, 2019.

ACTION REQUEST:

**ORDINANCE:** Is an ordinance required? Yes  No

**COORDINATION:** The request has been coordinated with:

*All supporting documentation must be included*

	Signature	Attachments
Department Head		<input checked="" type="checkbox"/>
Legal Department	_____	<input type="checkbox"/>
Chief Financial Officer	_____	<input type="checkbox"/>
Director Real Estate Management	_____	<input checked="" type="checkbox"/>
_____	_____	<input type="checkbox"/>

**FUNDING:** Was funding needed? Yes  No

If yes, was funding previously approved?\* Yes  No

\*If approved, provide the following: Dept/Div. \_\_\_\_\_ Acct: \_\_\_\_\_

Balance in Account \_\_\_\_\_ Amount needed for this item \_\_\_\_\_

**NEED:** Identify any critical time constraint(s).

\*Commercial Property and Community & Housing Development have an additional form.

**COMMERCIAL REAL ESTATE FORM**

TO: Real Estate Committee DATE: June 1, 2020

FROM: Geona Shaw Johnson DEPT: HCD

ADDRESS: 2321 Birdie Garrett Street, Charleston, South Carolina

TMS: 464-01-00-109

PROPERTY OWNER: City of Charleston

To modify the Original Transfer Agreement to, among other things, (i) allow the City to waive redevelopment contingencies if the City so wishes, and (ii) allow the Developer to transfer and convey the Project to a land trust entity which is (or will be) organized under the laws of the State of South Carolina as a nonprofit corporation and which entity shall be solely owned and controlled by Developer; The Original Transfer Agreement conveying the property to the organization was approved by Council on November 12, 2019.

ACTION REQUEST:

**ORDINANCE:** Is an ordinance required? Yes  No

**ACTION: What action is being taken on the Property mentioned?**

**ACQUISITION** Seller (Property Owner) \_\_\_\_\_ Purchaser \_\_\_\_\_

**DONATION/TRANSFER**  
Donated By: \_\_\_\_\_

**FORECLOSURE**  
Terms: \_\_\_\_\_

**PURCHASE**  
Terms: \_\_\_\_\_

**CONDEMNATION**  
Terms: \_\_\_\_\_

**OTHER**  
Terms: \_\_\_\_\_

**SALE** Seller (Property Owner) City of Charleston Purchaser \_\_\_\_\_

**NON-PROFIT ORG, please name** Charleston Redevelopment Corporation  
Terms: As outlined in the Transfer Agreement

**OTHER**

**COMMERCIAL REAL ESTATE FORM**

Terms: \_\_\_\_\_

**EASEMENT** | Grantor (Property Owner) \_\_\_\_\_ Grantee \_\_\_\_\_

**PERMANENT**  
Terms: \_\_\_\_\_

**TEMPORARY**  
Terms: \_\_\_\_\_

**LEASE**      Lessor: \_\_\_\_\_ Lessee: \_\_\_\_\_

**INITIAL**  
Terms: \_\_\_\_\_

**RENEWAL**  
Terms: \_\_\_\_\_

**AMENDMENT**  
Terms: \_\_\_\_\_

**Improvement of Property**  
Owner: \_\_\_\_\_  
Terms: \_\_\_\_\_

---

**BACKGROUND CHECK:** If Property Action Request is for the sale or lease of city property, has a background check been completed?

Yes  No  N/A

Results: \_\_\_\_\_

Signature: \_\_\_\_\_

Director Real Estate Management

**ADDITIONAL:** Please identify any pertinent detail (Clauses, Agreement Terms, Repeals, etc.) regarding City Property.

---

**NEED:** Identify any critical time constraint(s).

**FIRST AMENDMENT**  
**TO**  
**TRANSFER AGREEMENT**

This **FIRST AMENDMENT TO TRANSFER AGREEMENT** (this "*Amendment*") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2020 by and between the City of Charleston, South Carolina (the "*City*"), and Charleston Redevelopment Corporation, a South Carolina nonprofit corporation (the "*Developer*").

**WHEREAS**, the City and Developer entered into that certain Transfer Agreement, dated as of November 12, 2019 (the "*Original Agreement*"); and

**WHEREAS**, capitalized terms used and not otherwise defined herein have the meanings given to such terms in the Original Agreement; and

**WHEREAS**, as set forth in the Original Agreement, the City agreed to sell and transfer the Property to the Developer for the redevelopment thereof (the Property being that parcel of real property located in the City of Charleston, County of Charleston, State of South Carolina generally known as 2321 Birdie Garrett Street, as more fully described in the Original Agreement); and

**WHEREAS**, the City and Developer have agreed to modify the Original Agreement to, among other things, (i) allow the City to waive redevelopment contingencies if the City so wishes, and (ii) allow the Developer to transfer and convey the Project to a land trust entity which is (or will be) organized under the laws of the State of South Carolina as a nonprofit corporation and which entity shall be solely owned and controlled by Developer; and

**WHEREAS**, in order to modify the aforementioned provisions of the Original Agreement, the City and Developer desire to amend the Original Agreement upon the terms and conditions contained herein.

**NOW, THEREFORE, IN CONSIDERATION OF** the above premises and benefits set forth below, the receipt and sufficiency of which consideration are acknowledged by the parties, the parties agree as follows:

1. **Section 6(B)**. Section 6(B) of the Original Agreement is hereby deleted in its entirety and replaced with the following:

"Those other matters set forth in Exhibit C (attached hereto and incorporated herein by reference, hereinafter the ("*Permitted Exceptions*")."

2. **Section 8(C)**. Section 8(C) of the Original Agreement is hereby deleted in its entirety and replaced with the following:

"(C) This Transfer Agreement shall be further contingent upon satisfaction of each of the conditions precedent to closing as set forth in the Redevelopment Contingencies Addendum attached to this Transfer Agreement as Exhibit B and made a part hereof; provided, however, that for

the avoidance of any doubt, the City may, in its sole discretion, waive one or more of those conditions precedent.”

3. **Section 14(A)**. A new Section 14(M) is hereby added to the Original Agreement, which shall be located immediately after Section 14(L), as follows:

“(M) The City hereby agrees that the Developer may transfer and convey the Project to a land trust entity which is (or will be) organized under the laws of the State of South Carolina as a nonprofit corporation and which entity shall be solely owned and controlled by Developer; provided, however, that such land trust entity shall be responsible for every obligation of Developer hereunder.”

4. **Exhibit C**. A new Exhibit C is hereby added to the Original Agreement, which shall be located immediately after Exhibit B of the Original Agreement, and which is attached hereto and incorporated herein as Exhibit C.

5. **Miscellaneous**.

a. The parties hereby restate, reaffirm, ratify and confirm the terms and provisions of the Original Agreement, as amended, modified or affected by this Amendment, and agree that the Original Agreement is valid, binding, and enforceable in accordance with its terms. Except as and to the extent expressly modified and amended herein, the Original Agreement shall continue in full force and effect.

b. This Amendment shall be binding upon the parties hereto and their respective heirs, successors and permitted assigns.

c. This Amendment may be executed in a number of identical counterparts. If so executed, each of such counterparts shall be deemed an original for all purposes, and all such counterparts shall, collectively, constitute one agreement.

d. For purposes of this Amendment, signatures delivered by facsimile, email and other electronic means shall be as binding as originals upon the parties so signing.

e. The use of headings, captions and numbers of the contents of particular sections are inserted only for the convenience of identifying and indexing various provisions in this Amendment and shall not be construed as a part of this Amendment or as a limitation on the scope of any of the terms or provisions of this Amendment.

f. The recitals set forth above in the “Whereas” paragraphs are incorporated into this Amendment by reference and made a part hereof.

**\*\*\*Remainder of Page Intentionally Left Blank\*\*\***  
[Signatures on Following Page]

In witness whereof, the parties have executed this Amendment as of the date first above written.

WITNESSES:

**CHARLESTON REDEVELOPMENT CORPORATION,**  
a South Carolina nonprofit corporation

\_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

WITNESSES:

**THE CITY OF CHARLESTON**

\_\_\_\_\_

By: \_\_\_\_\_

John J. Tecklenburg

Its: Mayor



**EXHIBIT C  
TO  
TRANSFER AGREEMENT**

**Permitted Exceptions**

1. Ad valorem real property taxes and user fees for the year of closing (provided same are not yet due and payable) and all subsequent years.
2. The Development Agreement referenced in the Transfer Agreement.
3. The Ground Lease referenced in the Transfer Agreement
4. All restrictive covenants, rights of way and easements of record as of the date of this Transfer Agreement, if any, provided they do not make the title unmarketable or uninsurable.
5. All existing federal, state, county, municipal, and local governmental statutes, ordinances, rules and regulations, including, without limitation, zoning ordinances.

## Exhibit "E"

### Schedule Of Costs Not Included In Construction

The \$75,125 remaining Budget (Excluding Land and Construction) is comprised of:

- \$8,425 – Sitework;
- \$8,000 – Contingency;
- \$8,500 – Sewer;
- \$9,500 – Legal, Survey, Closing Costs, Fees;
- \$15,000 - Development Fee;
- \$21,700 - Soft Costs;
- \$4,000 - Construction Administration;

STATE OF SOUTH CAROLINA            )  
  )  
COUNTY OF CHARLESTON            )            TRANSFER AGREEMENT

THIS TRANSFER AGREEMENT (hereinafter the "Transfer Agreement") is made and entered into as of the 12<sup>th</sup> day of November, 2019, by and between THE CITY OF CHARLESTON (the "City"), and the CHARLESTON REDEVELOPMENT CORPORATION, a South Carolina nonprofit corporation (the "Developer").

WITNESSETH:

1. AGREEMENT. Upon the terms and conditions set forth herein, the City agrees to sell and transfer to the Developer and the Developer agrees to purchase and acquire from the City the following real property located in the City of Charleston, County of Charleston, State of South Carolina:

<u>Property Description</u>	<u>Tax Parcel #</u>	<u>Purchase Price</u>
Lot - 2321 Birdie Garrett	464-01-00-109	\$18,000

The aforesaid property, together with any and all fixtures, buildings and other improvements now and hereafter located thereon, is singularly referred to herein as a "Property" and collectively as the "Property". Developer hereby expressly acknowledges and accepts that each Property shall be conveyed by City to Developer in "AS-IS" condition, with no warranties implied, expressed or written.

2. PURCHASE PRICE. The total purchase price for the Property shall be EIGHTEEN THOUSAND DOLLARS (\$18,000.00), which sum shall be paid to the City as hereinafter described. At the closing of the conveyance of the Property, the Developer shall make, execute and deliver to the City a promissory note for the full face amount of the purchase price of the Property memorializing such loan (the "City Loan"), which note shall be repaid as follows: all unpaid principal shall be due and payable in full one (1) year from the date of closing on the Property. No interest shall accrue on the City Loan, except in the event of a default by Developer under the City Loan. The City Loan shall be secured by, among other things, a first lien purchase money mortgage on the Property. The Developer shall execute and deliver to the City such other loan documents as the City may, in its sole discretion, require, including, without limitation, promissory notes, mortgages, security agreements, assignments of leases and rents, financing statements, loan agreements, collateral assignments and any other instruments, documents or agreements which might be required by the City (collectively, the "City Loan Documents"). The form and content of the City Loan Documents must be satisfactory to the City and the Developer.

3. Representations and Warranties of the Developer: To induce the City to enter into this Transfer Agreement, the Developer represents and warrants to the City as follows:

(A) Due Organization: Developer is a non-profit corporation duly organized and validly existing in good standing under the laws of the State of South Carolina and duly authorized to transact business in the State of South Carolina with full corporate power to execute, deliver and perform the obligations and transactions contemplated in this Transfer Agreement.

- (B) Due Authorization: The Developer and any officer, member, manager or partner executing this Transfer Agreement has full power, authority, and legal right to enter into this Transfer Agreement and to carry out the provision of this Transfer Agreement according to the terms hereof. The Developer has duly authorized the execution and delivery of this Transfer Agreement, and no other action of the Developer is requisite to the execution and delivery of this Transfer Agreement. No consents or approvals are required to be obtained from any Legal Authorities (as defined in Exhibit B), attached hereto and incorporated herein by reference) for the execution and delivery of this Transfer Agreement.
- (C) Violation of Other Agreements: The execution of this Transfer Agreement and the performance of the Developer pursuant to this Transfer Agreement does not and will not (i) violate any provision of law or its organizational documents, or (ii) result in a breach of, constitute a default under, require any consent under, or result in the creation of any lien, charge, or encumbrance upon any property of the Developer pursuant to any instrument, order, or other agreement to which the Developer is a party or by which the Developer, or any of its property is bound.

4. CLOSING. The closing of the conveyance of the Property from the City to the Developer (the "Closing") shall take place no later than one (1) year from the date of this Transfer Agreement. The Closing shall take place in Charleston County, South Carolina, at a time, date and place mutually agreed to by the City and the Developer.

5. POSSESSION. The City shall give Developer possession of the Property at the Closing contemplated hereinabove, provided title has passed.

6. TITLE. At the Closing, the City shall convey good and marketable or insurable fee simple absolute title to such Property by Limited Warranty Deed (the "Deed") duly executed with revenue stamps in the proper amount affixed thereto, free and clear of all defects, restrictions, leases, judgments, taxes and assessments, liens or encumbrances of any sort; provided, however, that the City shall convey title to the Property to the Developer and the Developer agrees to take title to the Property subject to the following:

- (A) Each and every one of the restrictions contained in the Ground Lease Agreement by and between Charleston Redevelopment Corporation and the homeowner identified therein (the "Ground Lease"), a draft of which is attached hereto as Exhibit A. The City and Developer agree to use good faith efforts to finalize the Ground Lease on or before the date of the Closing.
- (B) Those other matters set forth in Exhibit B (attached hereto and incorporated herein by reference, hereinafter the ("Permitted Exceptions").
- (C) Such other matters as otherwise agreed to in writing by the City and the Developer.

If the City is unable to convey marketable or insurable title to the Property without a court action, or incurring any unusual expenses or within thirty (30) days after the herein specified closing date for such

such Property by giving written notice to the other party hereto; provided, however, that notwithstanding such termination as to such Property, this Transfer Agreement shall not be terminated as to the other Properties covered by this Transfer Agreement and shall nonetheless continue in full force and effect as to such other Properties.

7. CLOSING COSTS. The City shall be responsible for the fees and expenses of the City's attorneys, the fees for the preparation of the Limited Warranty Deed(s), the fees or taxes for documentary stamps due with respect to the Deed by which the Property is conveyed to the Developer, the costs necessary to provide marketable or insurable title to the Property being conveyed (except as otherwise provided in Section 6 above), and any other costs and expenses actually incurred by the City. Except as may otherwise be provided in Section 8(F) herein below, the Developer shall be responsible for all other closing costs.

8. CONTINGENCIES. The obligations of the parties hereunder as to the Property shall be subject to the fulfillment on the date of closing of the Property, or sooner, of each of the following conditions:

- (A) The representations and warranties of the Developer contained in this Transfer Agreement and otherwise made by or on behalf of the Developer shall be true and correct in all material respects on and as of the date of the closing of the Property.
- (B) This Transfer Agreement is contingent on the City Council for the City of Charleston approving this Transfer Agreement, the Development Agreement (as hereinafter defined), and the purchase of the Property by the Developer.
- (C) This Transfer Agreement shall be further contingent upon satisfaction of each of the conditions precedent to closing as set forth in the Redevelopment Contingencies Addendum attached to this Transfer Agreement as Exhibit "B" and made a part hereof.
- (D) This Transfer Agreement is further contingent on the Developer entering into an agreement with the City to redevelop the Property, which agreement must be satisfactory to the City (hereinafter the "Development Agreement"). The Development Agreement shall provide, among other things, that the Developer shall, upon completion of redevelopment, resell the Property to a low- to moderate-income individual in accordance with terms outlined in the Charleston Redevelopment Corporation Palmetto Community Land Trust Ground Lease Agreement. A separate Development Agreement must be executed for each lot, piece, parcel or tract of land comprising the Property and must be delivered to the City on or before the closing of the Property.
- (E) This Transfer Agreement is further contingent on the Developer obtaining additional financing from the City and/or another lender for the sole purpose of financing the costs and expenses associated with the closing of the Property and with the Developer's redevelopment of the Property pursuant to the Development Agreement for the Property. The terms and conditions of any such additional financing, including, without limitation, loan amounts, repayment terms, interest rates, collateral and subordination agreements, must be mutually agreeable to the City, the Developer and the lenders involved.

If the above contingencies are not satisfied by closing for the Property, then either the Developer or the City shall have the option, in its sole discretion, to terminate and cancel this Transfer Agreement as to such Property; provided, however, that notwithstanding such termination as to such Property, this Transfer Agreement shall not be terminated as to the other Properties covered by this Transfer Agreement and shall nonetheless continue in full force and effect as to such other Properties. Each of the above contingencies shall apply to each Property to be conveyed under this Transfer Agreement, and each such contingency shall survive the closing of each Property, and, as a result, shall be a condition precedent to the closing of each other Property not then yet closed.

9. PRORATIONS. All ad valorem taxes due with respect to the Property for the calendar year of the closing shall be prorated between the Developer and the City as of the closing date for such Property. If the actual amount of such taxes is not known as of such date, the proration at the closing will be on an equitable basis and will be based on the most current and accurate billing information available. All prorations at closing shall be final.

10. AGENTS/BROKERS. The City and the Developer hereby acknowledge, confirm and agree that no real estate agent or broker is involved in this transaction and, further, that no commissions are or will be due and/or payable to any real estate agent or broker as a result of this Transfer Agreement and the closing(s) contemplated hereby.

11. RISK OF LOSS OR DAMAGE. In case the Property herein referred to is destroyed wholly or partially by fire or other casualty prior to the closing and delivery of the Deed for such Property, then the City or the Developer shall have the option of proceeding hereunder as to such Property or of terminating this Transfer Agreement. In the event either party elects to terminate this Transfer Agreement, then the terminating party must give the non-terminating party written notice of such termination. In the event that none of the parties elects to terminate this Transfer Agreement as a result of such damage or destruction, then the City shall be entitled to retain and keep any insurance proceeds payable on account of the damage or destruction unless the parties otherwise agree in writing.

12. DEFAULT AND REMEDY. In the event of a breach of this Transfer Agreement, the non-breaching party shall have all rights and remedies afforded under South Carolina law, including, without limitation, the right of specific performance, and the breaching party shall be liable to reimburse the non-breaching party for reasonable attorney's fees and all expenses incurred in enforcing any provisions hereof.

13. NOTICES. Any notice, demand, or communication called for hereunder shall be in writing, shall be signed by the party giving same, and shall be given, served, or delivered either in person, or by first-class, certified mail, return receipt requested, postage prepaid, or by Federal Express (or other nationally recognized overnight courier), return receipt requested, with postage or delivery charge prepaid, and if to the Developer, addressed to the Developer at the Developer's mailing address set forth below in this Section, and if to the City, addressed to the City's mailing address set forth in this Section, or to such other address as either party may designate by written notice to the other. Any and all such notices, demands or other communications addressed to the Developer shall be deemed to be given to and received by the Developer on the date of delivery if personally delivered, and two (2) days after the date of mailing if mailed as aforesaid, and one (1) day after it was placed with the overnight courier as aforesaid. Any and all such notices, demands or other communications addressed to the City shall be deemed to be given to and received by the City on the date of delivery if personally delivered, and two (2) days after the date of mailing if mailed as aforesaid, and one (1) day after it was placed with the overnight courier as aforesaid, to

the City's Clerk of Council, to the Director of the City of Charleston's Department of Housing and Community Development, and to Corporation Counsel for the City, whichever date is later. Such notices, demands or other communications shall be addressed as follows:

If to the Developer:

Charleston Redevelopment Corporation  
Attention: Melissa Maddox-Evans, Chairperson  
75 Calhoun Street, Suite, 3200  
Charleston, SC 29401

If to the City:

The City of Charleston  
Attention: Clerk of Council  
City Hall  
80 Broad Street  
Charleston, SC 29401

Copy to: The City of Charleston  
Department of Housing and Community Development  
75 Calhoun Street, Division 616  
Charleston, SC 29401-3506

City of Charleston  
Attention: Corporation Counsel  
Legal Department  
50 Broad Street  
Charleston, SC 29401

Charleston Redevelopment Corporation  
Attention: Jay Claypole  
Nelson, Mullins, Riley & Scarborough, LLP  
151 Meeting Street  
Charleston, SC 29401

14. MISCELLANEOUS.

(A) Successors. This Transfer Agreement shall inure to the benefit of and shall be binding upon the respective heirs, personal representatives, successors and assigns of the parties hereto.

(B) Governing Law. This Transfer Agreement is being made in South Carolina and shall be construed and enforced in accordance with the laws of South Carolina.

(C) Survival. This Transfer Agreement and the provisions hereof shall survive the closing of each Property and shall not be merged by the City's execution and delivery to the Developer of the Limited Warranty Deed for each such Property or the recording thereof.

(D) Severability. Wherever possible, each provision of the Transfer Agreement shall be interpreted in such manner as to be effective and valid under applicable law, and such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Transfer Agreement.

(E) Waiver of Breach. The failure or delay of any party to insist upon compliance with any provision hereof shall not operate as and is not to be construed to be a waiver or amendment of the provision or of the right of the aggrieved party to insist upon compliance with such provision or to take remedial steps to recover damages or other relief for noncompliance. Any express waiver of a breach of any provision of this Transfer Agreement shall not operate and is not to be construed as a waiver of any other or subsequent breach, irrespective of whether occurring under similar or dissimilar circumstances.

(F) Entire Agreement. This Transfer Agreement embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter. No provision hereof shall be changed orally, and no change or attempted waiver of any provision hereof shall be binding unless in writing and signed by the party against whom the same is sought to be enforced. The masculine pronoun, when used herein, shall include the feminine and neuter pronoun, if applicable, and the singular shall include the plural, if applicable.

(G) Authority of Charleston City Council to Modify Agreement. The Charleston City Council, on behalf of the City, shall have authority to modify any provisions of this Transfer Agreement as mutually agreed to in writing with the Developer.

(H) Counterparts. This Transfer Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

(I) Days; Dates: Unless other specified herein, all references to day or days in this Transfer Agreement shall mean a calendar day or calendar days. If any date set forth in this Transfer Agreement or computed pursuant to this Transfer Agreement falls on a Saturday, Sunday, or national holiday, such date shall be deemed automatically amended to be the first business day following such weekend day or holiday.

(J) Execution of Agreement. This Transfer Agreement must be executed by all parties and delivered to the City by 3:00 P.M., \_\_\_\_\_, \_\_\_\_\_, 2019, or the offer is automatically withdrawn and this Transfer Agreement shall be null and void.

(K) **TIME IS OF THE ESSENCE**. TIME IS OF THE ESSENCE AS TO ALL TERMS AND CONDITIONS OF THIS TRANSFER AGREEMENT.



(L) ***THIS IS A LEGALLY BINDING AGREEMENT. THE DEVELOPER ACKNOWLEDGES AND AGREES THAT, HAYNESWORTH, SINKLER AND BOYD ARE SERVING AS THE CITY OF CHARLESTON'S ATTORNEYS IN THIS TRANSACTION AND DO NOT***

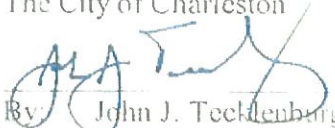


IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the day and year first herein above written.

WITNESSES:



CITY:


  
Witness 1  
  
Witness 2

The City of Charleston  
  
By: John J. Tecklenburg  
Its: Mayor

DEVELOPER:

Charleston Redevelopment Corporation, a South Carolina non-profit corporation

  
Witness 1  
  
Witness 2

  
By: Melissa Matldox-Evans EL POLIAKOFF  
Its: Chairperson

*REPRESENT THE DEVELOPER. THE DEVELOPER FURTHER ACKNOWLEDGES AND AGREES THAT THE DEVELOPER HAS BEEN ADVISED BY THE CITY AND THE CITY'S ATTORNEYS TO SEEK ASSISTANCE FROM INDEPENDENT LEGAL COUNSEL PRIOR TO THE DEVELOPER'S EXECUTION OF THIS AGREEMENT.*

**EXHIBIT "A"**

**TO**

**Transfer Agreement**

**EXHIBIT A  
CHARLESTON REDEVELOPMENT CORPORATOIN  
PALMETTO COMMUNITY LAND TRUST  
GROUND LEASE**

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Exhibit PERMITTED MORTGAGES

Exhibit FIRST REFUSAL

Exhibit INITIAL APPRAISAL

Exhibit ZONING

**Other Exhibits to be Attached, as Appropriate**

Exhibit RESTRICTIONS

THIS LEASE ("this Lease" or "the Lease") entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between Palmetto Community Land Trust (hereinafter "CLT" or "the CLT") and \_\_\_\_\_ ("Homeowner").

#### RECITALS

- A. The CLT is organized exclusively for charitable purposes, including the purpose of providing homeownership opportunities for low- and moderate-income people who would otherwise be unable to afford homeownership.
- B. A goal of the CLT is to preserve affordable homeownership opportunities through the long-term leasing of land under owner-occupied homes.
- C. The Leased Land described in this Lease has been acquired and is being leased by the CLT in furtherance of this goal.
- D. The Homeowner shares the purposes of the CLT and has agreed to enter into this Lease not only to obtain the benefits of homeownership, but also to further the charitable purposes of the CLT.
- E. Homeowner and CLT recognize the special nature of the terms of this Lease, and each of them accepts these terms, including those terms that affect the marketing and resale price of the property now being purchased by the Homeowner.
- F. Homeowner and CLT agree that the terms of this Lease further their shared goals over an extended period of time and through a succession of owners

NOW THEREFORE, Homeowner and CLT agree on all of the terms and conditions of this Lease as set forth below.

**DEFINITIONS:** Homeowner and CLT agree on the following definitions of key terms used in this Lease.

*Leased Land:* the parcel of land, described in Exhibit: LEASED LAND, which is leased to the Homeowner.

*Home:* the residential structure and other permanent improvements located on the Leased Land and owned by the Homeowner, including both the original Home described in Exhibit: DEED, and all permanent improvements added thereafter by Homeowner at Homeowner's expense.

*Base Price:* the total price that is paid for the Home by the Homeowner (including the amount provided by a first mortgage loan but not including subsidy in the form of deferred loans to the Homeowner).

*Purchase Option Price:* the maximum price the Homeowner is allowed to receive for the sale of the Home and the Homeowner's right to possess, occupy and use the Leased Land, as defined in Article 10 of this Lease.

*Lease Fee:* The monthly fee that the Homeowner pays to the CLT for the continuing use of the Leased Land and any additional amounts that the CLT charges to the Homeowner for reasons permitted by this Lease.

*Permitted Mortgage:* A mortgage or deed of trust on the Home and the Homeowner's right to possess, occupy and use the Leased Land granted to a lender by the Homeowner with the CLT's Permission. The Homeowner may not mortgage the CLT's interest in the Leased Land, and may not grant any mortgage or deed of trust without CLT's Permission.

*Event of Default:* Any violation of the terms of the Lease unless it has been corrected ("cured") by Homeowner or the holder of a Permitted Mortgage in the specified period of time after a written Notice of Default has been given by CLT.

#### ARTICLE 1: Homeowner's Letter of Agreement is Attached as an Exhibit.

Attached as Exhibit HOMEOWNER'S LETTER OF AGREEMENT and made part of this Lease by reference is a Letter of Agreement from the Homeowner, describing the Homeowner's understanding and acceptance of this Lease (including the parts of the Lease that affect the resale of the Home).

#### ARTICLE 2: Leasing of Rights to the Land

**2.1 CLT LEASES THE LAND TO HOMEOWNER:** The CLT hereby leases to the Homeowner, and Homeowner hereby accepts, the right to possess, occupy and use the Leased Land (described in the attached Exhibit LEASED

LAND) in accordance with the terms of this Lease. CLT has furnished to Homeowner a copy of the most current title report, if any, obtained by CLT for the Leased Land, and Homeowner accepts title to the Leased Land in its condition "as is" as of the signing of this Lease.

2.2 MINERAL RIGHTS NOT LEASED TO HOMEOWNER: CLT does not lease to Homeowner the right to remove from the Leased Land any minerals lying beneath the Leased Land's surface. Ownership of such minerals remains with the CLT, but the CLT shall not remove any such minerals from the Leased Land without the Homeowner's written permission.

#### ARTICLE 3: Term of Lease, Change of Land Owner

3.1 TERM OF LEASE IS 99 YEARS: This Lease shall remain in effect for 99 years, beginning on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, and ending on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, unless ended sooner or renewed as provided below.

3.2 HOMEOWNER CAN RENEW LEASE FOR ANOTHER 99 YEARS: Homeowner may renew this Lease for one additional period of 99 years. The CLT may change the terms of the Lease for the renewal period prior to the beginning of the renewal period but only if these changes do not materially and adversely interfere with the rights possessed by Homeowner under the Lease. Not more than 365 nor less than 180 days before the last day of the first 99-year period, CLT shall give Homeowner a written notice that states the date of the expiration of the first 99-year period and the conditions for renewal as set forth in the following paragraph ("the Expiration Notice"). The Expiration Notice shall also describe any changes that CLT intends to make in the Lease for the renewal period as permitted above.

The Homeowner shall then have the right to renew the Lease only if the following conditions are met: (a) within 60 days of receipt of the Expiration Notice, the Homeowner shall give CLT written notice stating the Homeowner's desire to renew ("the Renewal Notice"); (b) this Lease shall be in effect on the last day of the original 99-year term, and (c) the Homeowner shall not be in default under this Lease or under any Permitted Mortgage on the last day of the original 99-year term.

When Homeowner has exercised the option to renew, Homeowner and CLT shall sign a memorandum stating that the option has been exercised. The memorandum shall comply with the requirements for a notice of lease as stated in Section 14.12 below. The CLT shall record this memorandum in accordance with the requirements of law promptly after the beginning of the renewal period.

3.3 WHAT HAPPENS IF CLT DECIDES TO SELL THE LEASED LAND: If ownership of the Leased Land is ever transferred by CLT (whether voluntarily or involuntarily) to any other person or institution, this Lease shall not cease, but shall remain binding on the new land-owner as well as the Homeowner. If CLT agrees to transfer the Leased Land to any person or institution other than a non-profit corporation, charitable trust, government agency or other similar institution sharing the goals described in the Recitals above, the Homeowner shall have a right of first refusal to purchase the Leased Land. The details of this right shall be as stated in the attached Exhibit FIRST REFUSAL. Any sale or other transfer contrary to this Section 3.3 shall be null and void.

#### ARTICLE 4: Use of Leased Land

4.1 HOMEOWNER MAY USE THE HOME ONLY FOR RESIDENTIAL AND RELATED PURPOSES: Homeowner shall use, and allow others to use, the Home and Leased Land only for residential purposes and any activities related to residential use that are permitted by current local zoning laws.

4.2 HOMEOWNER MUST USE THE HOME AND LEASED LAND RESPONSIBLY AND IN COMPLIANCE WITH THE LAW: Homeowner shall use the Home and Leased Land in a way that will not cause harm to others or create any public nuisance. Homeowner shall dispose of all waste in a safe and sanitary manner. Homeowner shall maintain all parts of the Home and Leased Land in safe, sound and habitable condition, in full compliance with

all laws and regulations, and in the condition that is required to maintain the insurance coverage required by Section 9.4 of this Lease.

**4.3 HOMEOWNER IS RESPONSIBLE FOR USE BY OTHERS:** Homeowner shall be responsible for the use of the Home and Leased Land by all residents and visitors and anyone else using the Leased Land with Homeowner's permission and shall make all such people aware of the restrictions on use set forth in this Lease.

**4.4 HOMEOWNER MUST OCCUPY THE HOME AS PRIMARY RESIDENCE:** Homeowner shall occupy the Home as the primary residence and in a manner that, each year, meets the requirements for qualifying for the County of Charleston's 4% property tax exemption that were in place as of the date this Lease is signed. Occupancy by Homeowner's child, spouse, domestic partner or other persons approved by CLT shall be considered occupancy by Homeowner. Neither compliance with the occupancy requirement nor CLT's permission for an extended period of non-occupancy constitutes permission to sublease the Leased Land and Home, which is addressed in Section 4.5 below.

**4.5 LEASED LAND MAY NOT BE SUBLEASED WITHOUT CLT'S PERMISSION:** Except as otherwise provided in Article 8 and Article 10, Homeowner shall not sublease, assign, sell or otherwise convey any of Homeowner's rights under this Lease, for any period of time, without the written permission of CLT. Homeowner agrees that CLT shall have the right to withhold such consent in order to further the purposes of this Lease.

If permission for subleasing is granted, the sublease shall be subject to the following conditions.

- a) Any sublease shall be subject to all of the terms of this Lease.
- b) The rental or occupancy fee charged the sub-lessee shall not be more than the amount of the Lease Fee charged the Homeowner by the CLT, plus an amount approved by CLT to cover Homeowner's costs in owning the Home, including but not limited to the cost of taxes, assessments, insurance and mortgage interest.

**4.6 CLT HAS A RIGHT TO INSPECT THE LEASED LAND:** The CLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, at any reasonable time, after notifying the Homeowner at least 48 hours before the planned inspection. No more than one (1) regular inspection may be carried out in a single year, except in the case of an emergency. In an emergency, the CLT may inspect any part of the Leased Land except the interiors of fully enclosed buildings, after making reasonable efforts to inform the Homeowner before the inspection.

If the CLT has received an Intent-To-Sell Notice (as described in Section 10.4 below), then the CLT has the right to inspect the interiors of all fully enclosed buildings to determine their condition prior to the sale. The CLT must notify the Homeowner at least 48 hours before carrying out such inspection.

**4.7 HOMEOWNER HAS A RIGHT TO QUIET ENJOYMENT:** Homeowner has the right to quiet enjoyment of the Leased Land. The CLT has no desire or intention to interfere with the personal lives, associations, expressions, or actions of the Homeowner in any way not permitted by this Lease.

#### **ARTICLE 5: Lease Fee and Repair Reserve Fee**

**5.1 AMOUNT OF FEES:** The Homeowner shall pay (a) a monthly Lease Fee in the amount of twelve dollars (\$12.00) to be paid in return for the continuing right to possess, occupy and use the Leased Land, plus (b) a monthly Repair Reserve Fee in the amount of thirteen dollars (\$13.00) to be held by the CLT and used for the purpose of preserving the physical quality of the Home for the long term in accordance with Section 7.6 below.

**5.2 WHEN THE FEES ARE TO BE PAID (DUE DATE):** The Lease Fee and Repair Reserve Fee shall be payable to CLT on the first day of each month for as long as this Lease remains in effect, unless the Lease Fee or Repair Reserve Fee are to be escrowed and paid by a Permitted Mortgagee, in which case payment shall be made as directed by that Mortgagee.



**5.3 HOW THE AMOUNT OF THE FEES HAVE BEEN DETERMINED:** The amount of the Lease Fee and Repair Reserve Fee stated in Section 5.1 above has been determined as follows. First, the approximate monthly fair rental value of the Leased Land has been established, as of the beginning of the Lease term, recognizing that the fair rental value is reduced by certain restrictions imposed by the Lease on the use of the Land. Then the affordability of this monthly amount, plus the amount of the Repair Reserve Fee, for the Homeowner has been analyzed and, if necessary, the Fees have been reduced to an amount considered to be affordable for Homeowner.

**5.4 CLT MAY REDUCE OR SUSPEND THE FEES TO IMPROVE AFFORDABILITY:** CLT may reduce or suspend the total amount of the Lease Fee or the Repair Reserve Fee for a period of time for the purpose of improving the affordability of the Homeowner's monthly housing costs. Any such reduction or suspension must be in writing and signed by CLT.

**5.5 FEES MAY BE INCREASED FROM TIME TO TIME:** The CLT may increase the amount of the Lease Fee and/or the Repair Reserve Fee from time to time, but not more often than once every 2 years. Each time such amounts are increased, the total percentage of increase since the date this Lease was signed shall not be greater than the percentage of increase, over the same period of time, in the Consumer Price Index for urban wage earners and clerical workers for the urban area in which the Leased Land is located, or, if none, for urban areas the size of Charleston, South Carolina.

**5.6 LEASE FEE WILL BE INCREASED IF RESTRICTIONS ARE REMOVED:** If, for any reason, the provisions of Article 10 regarding transfers of the Home or Sections 4.4 and 4.5 regarding occupancy and subleasing are suspended or invalidated for any period of time, then during that time the Lease Fee shall be increased to an amount calculated by CLT to equal the fair rental value of the Leased Land for use not restricted by the suspended provisions, but initially an amount not exceeding five hundred dollars (\$500). Such increase shall become effective upon CLT's written notice to Homeowner. Thereafter, for so long as these restrictions are not reinstated in the Lease, the CLT may, from time to time, further increase the amount of such Lease Fee, provided that the amount of the Lease Fee does not exceed the fair rental value of the property, and provided that such increases do not occur more often than once every year.

**5.7 IF PAYMENT IS LATE, \$5.00 LATE FEE CAN BE CHARGED:** If the CLT has not received any monthly installment of the Lease Fee on or before the date on which the such installment first becomes payable under this Lease (the "Due Date"), the CLT may require Homeowner to pay interest on the unpaid amount from the Due Date through and including the date such payment or installment is received by CLT, at a rate not to exceed 5%. Such interest shall be deemed additional Lease Fee and shall be paid by Homeowner to CLT upon demand; provided, however, that CLT shall waive any such interest that would otherwise be payable to CLT if such payment of the Lease Fee is received by CLT on or before the thirtieth (30<sup>th</sup>) day after the Due Date.

**5.8 CLT CAN COLLECT UNPAID FEES WHEN HOME IS SOLD:** In the event that any amount of payable Lease Fee remains unpaid when the Home is sold, the outstanding amount of payable Lease Fee, including any interest as provided above, shall be paid to CLT out of any proceeds from the sale that would otherwise be due to Homeowner. The CLT shall have, and the Homeowner hereby consents to, a lien upon the Home for any unpaid Lease Fee. Such lien shall be prior to all other liens and encumbrances on the Home except (a) liens and encumbrances recorded before the recording of this Lease, (b) Permitted Mortgages as defined in section 8.1 below; and (c) liens for real property taxes and other governmental assessments or charges against the Home.

#### ARTICLE 6: Taxes and Assessments

**6.1 HOMEOWNER IS RESPONSIBLE FOR PAYING ALL TAXES AND ASSESSMENTS:** Homeowner shall pay directly, when due, all taxes and governmental assessments that relate to the Home and the Leased Land (including any taxes relating to the CLT's interest in the Leased Land).

**6.2 CLT WILL PASS ON ANY TAX BILLS IT RECEIVES TO HOMEOWNER:** In the event that the local taxing authority bills CLT for any portion of the taxes on the Home or Leased Land, CLT shall pass the bill to Homeowner and Homeowner shall promptly pay this bill.

6.3 HOMEOWNER HAS A RIGHT TO CONTEST TAXES: Homeowner shall have the right to contest the amount or validity of any taxes relating to the Home and Leased Land. Upon receiving a reasonable request from Homeowner for assistance in this matter, CLT shall join in contesting such taxes. Homeowner shall pay all costs of such proceedings.

6.4 IF HOMEOWNER FAILS TO PAY TAXES, CLT MAY INCREASE LEASE FEE: In the event that Homeowner fails to pay the taxes or other charges described in Section 6.1 above, CLT may increase Homeowner's Lease Fee to offset the amount of taxes and other charges owed by Homeowner. Upon collecting any such amount, CLT shall pay the amount collected to the taxing authority in a timely manner.

6.5 PARTY THAT PAYS TAXES MUST SHOW PROOF: When either party pays taxes relating to the Home or Leased Land, that party shall furnish satisfactory evidence of the payment to the other party. A photocopy of a receipt shall be the usual method of furnishing such evidence.

#### ARTICLE 7: The Home

7.1 HOMEOWNER OWNS THE HOUSE AND ALL OTHER IMPROVEMENTS ON THE LEASED LAND: All structures, including the house, fixtures, and other improvements purchased, constructed, or installed by the Homeowner on any part of the Leased Land at any time during the term of this Lease (collectively, the "Home") shall be property of the Homeowner. Title to the Home shall be and remain vested in the Homeowner. However, Homeowner's rights of ownership are limited by certain provisions of this Lease, including provisions regarding the sale or leasing of the Home by the Homeowner and the CLT's option to purchase the Home. In addition, Homeowner shall not remove any part of the Home from the Leased Land without CLT's prior written consent.

7.2 HOMEOWNER PURCHASES HOME WHEN SIGNING LEASE: Upon the signing of this Lease, Homeowner is simultaneously purchasing the Home located at that time on the Leased Land, as described in the Deed, a copy of which is attached to this Lease as Exhibit: DEED.

7.3 .3 CONSTRUCTION CARRIED OUT BY HOMEOWNER MUST COMPLY WITH CERTAIN REQUIREMENTS:

Any construction in connection with the Home is permitted only if the following requirements are met: (a) all costs shall be paid for by the Homeowner; (b) all construction shall be performed in a professional manner and shall comply with all applicable laws and regulations; (c) all changes in the Home shall be consistent with the permitted uses described in Article 4; and (d) the footprint, square-footage, or height of the house shall not be increased and new structures shall not be built or installed on the Leased Land without the prior written consent of CLT. Additionally, any construction or improvements on homes 50 years of age or greater must conform to the Secretary of the Interior's Standards for Rehabilitation and protect historically significant exterior features.

For any construction requiring CLT's prior written consent, Homeowner shall submit a written request to the CLT. Consent from the CLT shall be obtained prior to the Homeowner's submittal of plans to the City of Charleston's Board of Zoning Appeals, Board of Architectural Review, or permitting office. Such request shall include:

- a) a written statement of the reasons for undertaking the construction;
- b) a set of drawings (floor plan and elevations) showing the dimensions of the proposed construction;
- c) a list of the necessary materials, with quantities needed;
- d) a statement of who will do the work;

If the CLT finds it needs additional information it shall request such information from Homeowner within two weeks of receipt of Homeowner's request. The CLT then, within two weeks of receiving all necessary information (including any additional information it may have requested) shall give Homeowner either its written consent or a written statement of its reasons for not consenting. Before construction can begin, Homeowner shall provide CLT with copies of all necessary building permits, if not previously provided.

7.4 HOMEOWNER MAY NOT ALLOW STATUTORY LIENS TO REMAIN AGAINST LEASED LAND OR HOME: No lien of any type shall attach to the CLT's title to the Leased Land. Homeowner shall not permit any statutory or similar lien to be filed against the Leased Land or the Home that remains more than 60 days after it has been filed. Homeowner shall take action to discharge such lien, whether by means of payment, deposit, bond, court order, or other means permitted by law. If Homeowner fails to discharge such lien within the 60-day period, then Homeowner shall immediately notify CLT of such failure. CLT shall have the right to discharge the lien by paying the amount in question. Homeowner may, at Homeowner's expense, contest the validity of any such asserted lien, provided Homeowner has furnished a bond or other acceptable surety in an amount sufficient to release the Leased Land from such lien. Any amounts paid by CLT to discharge such liens shall be treated as an additional Lease Fee payable by Homeowner upon demand.

7.5 HOMEOWNER IS RESPONSIBLE FOR SERVICES, MAINTENANCE AND REPAIRS:

Homeowner hereby assumes responsibility for furnishing all services or facilities on the Leased Land, including but not limited to heat, electricity, air conditioning and water. CLT shall not be required to furnish any services or facilities or to make any repairs to the Home. Homeowner shall maintain the Home and Leased Land as required by Section 4.2 above and shall see that all necessary repairs and replacements are accomplished when needed.

7.6 A REPAIR RESERVE FUND IS ESTABLISHED TO SUPPORT FUTURE REPAIRS:

The intent of the CLT is to revitalize housing stock and ensure its continued upkeep by the homeowner. Therefore, the CRC requires each participating Owner to pay a monthly Repair Reserve fee of (\$13) to the CRC's established Repair Reserve fund to ensure homes are maintained after rehabilitation, renovation or construction.

The exterior appearance of the Property shall be maintained in an attractive and orderly condition and shall be kept free from trash, salvage, junk cars, rubbish, garbage, and other unsightly or offensive material. The buildings now or hereafter located on the said premises shall be maintained in an attractive and sound condition and repairs as necessary to prevent damage to the building(s) or any part thereof shall be made promptly. The Owner shall maintain a current termite bond on the Property.

In the event that the Owner shall breach the obligations contained in this Section, the CLT shall have the right (but not the obligation) to enter the property to make repairs, to remove material and to otherwise correct the Owner's breaches and the CLT shall have the right (but not the obligation) to purchase such insurance and termite bonds. The Owner shall promptly reimburse the CLT upon written demand for the costs incurred by the CLT to correct the Owner's breaches under this Section and the CLT shall have a continuing lien against the Property in the amount of such costs until paid in full.

7.7 WHEN LEASE ENDS, OWNERSHIP REVERTS TO CLT, WHICH SHALL REIMBURSE HOMEOWNER:

Upon the expiration or termination of this Lease, ownership of the Home shall revert to CLT. Upon thus assuming title to the Home, CLT shall promptly pay Homeowner and Permitted Mortgagee(s), as follows: FIRST, CLT shall pay any Permitted Mortgagee(s) the full amount owed to such mortgagee(s) by Homeowner; SECOND, CLT shall pay the Homeowner the balance of the Purchase Option Price calculated in accordance with Article 10 below, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee and any other amounts owed to the CLT under the terms of this Lease. The Homeowner shall be responsible for any costs necessary to clear any additional liens or other charges related to the Home that may be assessed against the Home. If the Homeowner fails to clear such liens or charges, the balance due the Homeowner shall also be reduced by the amount necessary to release such liens or charges, including reasonable attorney's fees incurred by the CLT.

## ARTICLE 8: Financing

8.1 HOMEOWNER CANNOT MORTGAGE THE HOME WITHOUT CLT'S PERMISSION: The Homeowner may mortgage the Home only with the written permission of CLT. Any mortgage or deed of trust permitted in writing by the CLT is defined as a Permitted Mortgage, and the holder of such a mortgage or deed of trust is defined as a Permitted Mortgagee.

8.2 BY SIGNING LEASE, CLT GIVES PERMISSION FOR ORIGINAL MORTGAGE. By signing this Lease, CLT gives written permission for any mortgage or deed of trust signed by the Homeowner effective on the day this Lease is signed for the purpose of financing Homeowner's purchase of the Home.

8.3 CLT MUST GET SPECIFIC PERMISSION FOR REFINANCING OR OTHER SUBSEQUENT MORTGAGES. If, at any time subsequent to the purchase of the Home and signing of the Lease, the Homeowner seeks a loan that is to be secured by a mortgage on the Home (to refinance an existing Permitted Mortgage or to finance home repairs or for any other purpose), Homeowner must inform CLT, in writing, of the proposed terms and conditions of such mortgage loan at least 30 days prior to the expected closing of the loan. The information to be provided to the CLT must include:

- a) the name of the proposed lender;
- b) Homeowner's reason for requesting the loan;
- c) the principal amount of the proposed loan and the total mortgage debt that will result from the combination of the loan and existing mortgage debt, if any;
- d) expected closing costs;
- e) the rate of interest;
- f) the repayment schedule;
- g) a copy of the appraisal commissioned in connection with the loan request.

CLT may also require Homeowner to submit additional information. CLT will not permit such a mortgage loan if the loan increases Homeowner's total mortgage debt to an amount greater than 80% of the then current Purchase Option Price, calculated in accordance with Article 10 below, or if the terms of the transaction otherwise threaten the interests of either the Homeowner or the CLT.

8.4 CLT IS REQUIRED TO PERMIT A "STANDARD PERMITTED MORTGAGE." The CLT shall be required to permit any mortgage for which the mortgagee has signed a "Standard Permitted Mortgage Agreement" as set forth in "Exhibit: Permitted Mortgages, Part C," and for which the loan secured thereby does not increase Homeowner's total mortgage debt to an amount greater than 80% of the then current Purchase Option Price, calculated in accordance with Article 10 below.

8.5 A PERMITTED MORTGAGEE HAS CERTAIN OBLIGATIONS UNDER THE LEASE. Any Permitted Mortgagee shall be bound by each of the requirements stated in "Exhibit: Permitted Mortgages, Part A, Obligations of Permitted Mortgagee," which is made a part of this Lease by reference, unless the particular requirement is removed, contradicted or modified by a Rider to this Lease signed by the Homeowner and the CLT to modify the terms of the Lease during the term of the Permitted Mortgage.

8.6 A PERMITTED MORTGAGEE HAS CERTAIN RIGHTS UNDER THE LEASE. Any Permitted Mortgagee shall have all of the rights and protections stated in "Exhibit: Permitted Mortgages, Part B, Rights of Permitted Mortgagee," which is made a part of this Lease by reference.

8.7 IN THE EVENT OF FORECLOSURE, ANY PROCEEDS IN EXCESS OF THE PURCHASE OPTION PRICE WILL GO TO CLT. Homeowner and CLT recognize that it would be contrary to the purposes of this agreement if Homeowner could receive more than the Purchase Option Price as the result of the foreclosure of a mortgage. Therefore, Homeowner hereby irrevocably assigns to CLT all net proceeds of sale of the Home that would otherwise have been payable to Homeowner and that exceed the amount of net proceeds that Homeowner would have received if the property had been sold for the Purchase Option Price, calculated as described in Section 10.10 below. Homeowner authorizes and instructs the Permitted Mortgagee, or any party conducting any sale, to

pay such excess amount directly to CLT. If, for any reason, such excess amount is paid to Homeowner, Homeowner hereby agrees to promptly pay such amount to CLT.

**ARTICLE 9: Liability, Insurance, Damage and Destruction, Eminent Domain**

9.1 HOMEOWNER ASSUMES ALL LIABILITY. Homeowner assumes all responsibility and liability related to Homeowner's possession, occupancy and use of the Leased Land.

9.2 HOMEOWNER MUST DEFEND CLT AGAINST ALL CLAIMS OF LIABILITY. Homeowner shall defend, indemnify and hold CLT harmless against all liability and claims of liability for injury or damage to person or property from any cause on or about the Leased Land. Homeowner waives all claims against CLT for injury or damage on or about the Leased Land. However, CLT shall remain liable for injury or damage due to the grossly negligent or intentional acts or omissions of CLT or CLT's agents or employees.

9.3 HOMEOWNER MUST REIMBURSE CLT. In the event the CLT shall be required to pay any sum that is the Homeowner's responsibility or liability, the Homeowner shall reimburse the CLT for such payment and for reasonable expenses caused thereby.

9.4 HOMEOWNER MUST INSURE THE HOME AGAINST LOSS AND MUST MAINTAIN LIABILITY INSURANCE ON HOME AND LEASED LAND. Homeowner shall, at Homeowner's expense, keep the Home continuously insured against "all risks" of physical loss, using Insurance Services Office (ISO) Form HO 00 03, or its equivalent, for the full replacement value of the Home, and in any event in an amount that will not incur a coinsurance penalty. The amount of such insured replacement value must be approved by the CLT prior to the commencement of the Lease. Thereafter, if the CLT determines that the replacement value to be insured should be increased, the CLT shall inform the Homeowner of such required increase at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. If Homeowner wishes to decrease the amount of replacement value to be insured, Homeowner shall inform the CLT of the proposed change at least 30 days prior to the time such change would take effect. The change shall not take effect without CLT's approval.

Should the Home lie in a flood hazard zone as defined by the National Flood Insurance Plan, the Homeowner shall keep in full force and effect flood insurance in the maximum amount available.

The Homeowner shall also, at its sole expense, maintain in full force and effect public liability insurance covering the Home and the Leased Land using ISO Form HO 00 03 or its equivalent in the amount of One Hundred Thousand Dollars (\$100,000) per occurrence and in the aggregate. The CLT shall be named as an additional insured using ISO Form HO 04 41 or its equivalent, and certificates of insurance shall be delivered to the CLT prior to the commencement of the Lease and at each anniversary date thereof.

The dollar amounts of such coverage may be increased from time to time at the CLT's request but not more often than once in any one-year period. CLT shall inform the Homeowner of such required increase in coverage at least 30 days prior to the next date on which the insurance policy is to be renewed, and the Homeowner shall assure that the renewal includes such change. The amount of such increase in coverage shall be based on current trends in homeowner's liability insurance coverage in the area in which the Home is located.

9.5 WHAT HAPPENS IF HOME IS DAMAGED OR DESTROYED. Except as provided below, in the event of fire or other damage to the Home, Homeowner shall take all steps necessary to assure the repair of such damage and the restoration of the Home to its condition immediately prior to the damage. All such repairs and restoration shall be completed as promptly as possible. Homeowner shall also promptly take all steps necessary to assure that the Leased Land is safe and that the damaged Home does not constitute a danger to persons or property.

If Homeowner, based on professional estimates, determines either (a) that full repair and restoration is physically impossible, or (b) that the available insurance proceeds will pay for less than the full cost of

necessary repairs and that Homeowner cannot otherwise afford to cover the balance of the cost of repairs, then Homeowner shall notify CLT of this problem, and CLT may then help to resolve the problem. Methods used to resolve the problem may include efforts to increase the available insurance proceeds, efforts to reduce the cost of necessary repairs, efforts to arrange affordable financing covering the costs of repair not covered by insurance proceeds, and any other methods agreed upon by both Homeowner and CLT.

If Homeowner and CLT cannot agree on a way of restoring the Home in the absence of adequate insurance proceeds, then Homeowner may give CLT written notice of intent to terminate the Lease. The date of actual termination shall be no less than 60 days after the date of Homeowner's notice of intent to terminate. Upon termination, any insurance proceeds payable to Homeowner for damage to the Home shall be paid as follows.

FIRST, to the expenses of their collection;

SECOND, to any Permitted Mortgagee(s), to the extent required by the Permitted Mortgage(s);

THIRD, to the expenses of enclosing or razing the remains of the Home and clearing debris;

FOURTH, to the CLT for any amounts owed under this Lease;

FIFTH, to the Homeowner, up to an amount equal to the Purchase Option Price, as of the day prior to the loss, less any amounts paid with respect to the second, third, and fourth clauses above;

SIXTH, the balance, if any, to the CLT.

**9.6 WHAT HAPPENS IF SOME OR ALL OF THE LAND IS TAKEN FOR PUBLIC USE.** If all of the Leased Land is taken by eminent domain or otherwise for public purposes, or if so much of the Leased Land is taken that the Home is lost or damaged beyond repair, the Lease shall terminate as of the date when Homeowner is required to give up possession of the Leased Land. Upon such termination, the entire amount of any award(s) paid shall be allocated in the way described in Section 9.5 above for insurance proceeds.

In the event of a taking of a portion of the Leased Land that does not result in damage to the Home or significant reduction in the usefulness or desirability of the Leased Land for residential purposes, then any monetary compensation for such taking shall be allocated entirely to CLT.

In the event of a taking of a portion of the Leased Land that results in damage to the Home only to such an extent that the Home can reasonably be restored to a residential use consistent with this Lease, then the damage shall be treated as damage is treated in Section 9.5 above, and monetary compensation shall be allocated as insurance proceeds are to be allocated under Section 9.5.

**9.7 IF PART OF THE LAND IS TAKEN, THE LEASE FEE MAY BE REDUCED.** In the event of any taking that reduces the size of the Leased Land but does not result in the termination of the Lease, CLT shall reassess the fair rental value of the remaining Land and shall adjust the Lease Fee if necessary to assure that the monthly fee does not exceed the monthly fair rental value of the Land for use as restricted by the Lease.

**9.8 IF LEASE IS TERMINATED BY DAMAGE, DESTRUCTION OR TAKING, CLT WILL TRY TO HELP HOMEOWNER BUY ANOTHER CLT HOME.** If this Lease is terminated as a result of damage, destruction or taking, CLT shall take reasonable steps to allow Homeowner to purchase another home on another parcel of leased land owned by CLT if such home can reasonably be made available. If Homeowner purchases such a home, Homeowner agrees to apply any proceeds or award received by Homeowner to the purchase of the home. Homeowner understands that there are numerous reasons why it may not be possible to make such a home available, and shall have no claim against CLT if such a home is not made available.

#### ARTICLE 10: Transfer of the Home

**10.1 INTENT OF THIS ARTICLE IS TO PRESERVE AFFORDABILITY:** Homeowner and CLT agree that the provisions of this Article 10 are intended to preserve the affordability of the Home for lower income households and expand access to homeownership opportunities for such households.

10.2 HOMEOWNER MAY TRANSFER HOME ONLY TO CLT OR QUALIFIED PERSONS: Homeowner may transfer the Home only to the CLT or an Income-Qualified Person as defined below or otherwise only as explicitly permitted by the provisions of this Article 10. All such transfers are to be completed only in strict compliance with this Article 10. Any purported transfer that does not follow the procedures set forth below, except in the case of a transfer to a Permitted Mortgagee in lieu of foreclosure, shall be null and void.

"Income-Qualified Person" shall mean a person or group of persons whose household income does not exceed 120 percent (120%) of the median household income for the applicable Standard Metropolitan Statistical Area or County as calculated and adjusted for household size from time to time by the U.S. Department of Housing and Urban Development (HUD) or any successor.

10.3 THE HOME MAY BE TRANSFERRED TO CERTAIN HEIRS OF HOMEOWNER: If Homeowner dies (or if the last surviving co-owner of the Home dies), the executor or personal representative of Homeowner's estate shall notify CLT within ninety (90) days of the date of the death. Upon receiving such notice CLT shall consent to a transfer of the Home and Homeowner's rights to the Leased Land to one or more of the possible heirs of Homeowner listed below as "a," "b," or "c," provided that a Letter of Agreement (as described in Article 1 above) is submitted to CLT to be attached to the Lease when it is transferred to the heirs and that such transfer is acceptable to the Mortgagee, if any.

- a) the spouse of the Homeowner; or
- b) adult child or children of the Homeowner or a juvenile child or children provided there is a reasonable party of adult age living with the child or children; or
- c) member(s) of the Homeowner's household who have resided in the Home for at least one year immediately prior to Homeowner's death.

Any other heirs, legatees or devisees of Homeowner, in addition to submitting Letters of Agreement and Acknowledgment as provided above, must demonstrate to CLT's satisfaction that they are Income-Qualified Persons as defined above. If they cannot demonstrate that they are Income-Qualified Persons, they shall not be entitled to possession of the Home but must transfer the Home in accordance with the provisions of this Article 10.

10.4 HOMEOWNER'S NOTICE OF INTENT TO SELL: In the event that Homeowner wishes to sell Homeowner's Property, Homeowner shall notify CLT in writing of such wish (the Intent-to-Sell Notice). This Notice shall include a statement as to whether Homeowner wishes to recommend a prospective buyer as of the date of the Notice.

10.5 AFTER RECEIVING NOTICE, CLT SHALL COMMISSION AN APPRAISAL: No later than ten (10) days after CLT's receipt of Homeowner's Intent-to-Sell Notice, CLT shall commission a market valuation of the Leased Land and the Home (the "Appraisal") to be performed by a duly licensed appraiser who is acceptable to CLT and Homeowner. CLT shall pay the cost of such Appraisal. The Appraisal shall be conducted by analysis and comparison of comparable properties as though title to Leased Land and Home were held in fee simple absolute by a single party, disregarding all of the restrictions of this Lease on the use, occupancy and transfer of the property. Copies of the Appraisal are to be provided to both CLT and Homeowner.

10.6 CLT HAS AN OPTION TO PURCHASE THE HOME. Upon receipt of an Intent-to-Sell Notice from Homeowner, CLT shall have the option to purchase the Home at the Purchase Option Price calculated as set forth below. The Purchase Option is designed to further the purpose of preserving the affordability of the Home for succeeding Income-Qualified Persons while taking fair account of the investment by the Homeowner.

If CLT elects to purchase the Home, CLT shall exercise the Purchase Option by notifying Homeowner, in writing, of such election (the Notice of Exercise of Option) within forty-five (45) days of the receipt of the Appraisal, or the Option shall expire. Having given such notice, CLT may either proceed to purchase the Home directly or may assign the Purchase Option to an Income-Qualified Person.

The purchase (by CLT or CLT's assignee) must be completed within sixty (60) days of CLT's Notice of Exercise of Option, or Homeowner may sell the Home and Homeowner's rights to the Leased Land as provided in Section 10.7 below. The time permitted for the completion of the purchase may be extended by mutual agreement of CLT and Homeowner.

Homeowner may recommend to CLT a prospective buyer who is an Income-Qualified Person and is prepared to submit a Letter of Agreement indicating informed acceptance of the terms of this Lease. CLT shall make reasonable efforts to arrange for the assignment of the Purchase Option to such person, unless CLT determines that its charitable mission is better served by retaining the Home for another purpose or transferring the Home to another party.

**10.7 IF PURCHASE OPTION EXPIRES, HOMEOWNER MAY SELL ON CERTAIN TERMS:** If the Purchase Option has expired or if CLT has failed to complete the purchase within the sixty-day period allowed by Section 10.6 above, Homeowner may sell the Home to any Income-Qualified Person for not more than the then applicable Purchase Option Price. If Homeowner has made diligent efforts to sell the Home for at least six months after the expiration of the Purchase Option (or six months after the expiration of such sixty-day period) and the Home still has not been sold, Homeowner may then sell the Home, for a price no greater than the then applicable Purchase Option Price, to any party regardless of whether that party is an Income-Qualified Person.

**10.8 AFTER ONE YEAR CLT SHALL HAVE POWER OF ATTORNEY TO CONDUCT SALE:** If CLT does not exercise its option and complete the purchase of Homeowner's Property as described above, and if Homeowner (a) is not then residing in the Home and (b) continues to hold Homeowner's Property out for sale but is unable to locate a buyer and execute a binding purchase and sale agreement within one year of the date of the Intent to Sell Notice, Homeowner does hereby appoint CLT its attorney in fact to seek a buyer, negotiate a reasonable price that furthers the purposes of this Lease, sell the property, and pay to the Homeowner the proceeds of sale, minus CLT's costs of sale and any other sums owed CLT by Homeowner.

**10.9 PURCHASE OPTION PRICE EQUALS LESSER OF APPRAISED VALUE OR FORMULA PRICE:** In no event may the Home be sold for a price that exceeds the Purchase Option Price. The Purchase Option Price shall be the lesser of (a) the combined value of the Leased Land and the Home, as determined by the Appraisal commissioned and conducted as provided in 10.5 above or (b) the price calculated in accordance with the formula described below (the Formula Price).

**10.10 HOW THE FORMULA PRICE IS CALCULATED:** The Formula Price shall be equal to Homeowner's Base Price, as stated below, plus 25% of the increase in market value of the Home and Leased Land, if any, calculated in the way described below.

*Homeowner's Base Price:* The parties agree that the Homeowner's Base Price for Homeowner's Property as of the signing of this Lease is \$ \_\_\_\_\_.

*Initial Appraised Value:* The parties agree that the appraised value of the Home and Leased Land at the time of Homeowner's purchase (the Initial Appraised Value) is \$ \_\_\_\_\_, as documented by the appraiser's report attached to this Lease as Exhibit INITIAL APPRAISAL.

*Increase in Market Value:* The increase in market value of the Home and Leased Land equals the appraised value of the Home and Leased Land at time of sale, calculated according to Section 10.5 above, minus the Initial Appraised Value.

*Homeowner's share of Increase in Market Value:* Homeowner's share of the increase in the market value of the Home and Leased Land equals twenty-five percent (25%) of the increase in market value as calculated above.

*Summary of Formula Price:* The Formula Price equals Homeowner's Base Price plus Homeowner's Share of Increase in Market Value.



10.11 QUALIFIED PURCHASER SHALL RECEIVE NEW LEASE: The CLT shall issue a new lease to any person who purchases the Home in accordance with the terms of this Article 10. The terms of such lease shall be the same as those of new leases issued to homebuyers at that time for land not previously leased by the CLT.

10.12 PURCHASER MAY BE CHARGED A TRANSFER FEE. In the event that Homeowner sells the home to a party other than the CLT (whether directly to such party or as a result of CLT's assignment of its Purchase Option to such party), the price to be paid by such purchaser shall include in addition to the Purchase Option Price, at the discretion of the CLT, a transfer fee to compensate the CLT for carrying out its responsibilities with regard to the transaction. The amount of the transfer fee shall be no more than 1% of the Purchase Option Price.

10.13 HOMEOWNER REQUIRED TO MAKE NECESSARY REPAIRS AT TRANSFER: The Homeowner is required to make necessary repairs when s/he voluntarily transfers the Home as follows:

- a) The person purchasing the Home ("Buyer") shall, prior to purchasing the Home, hire at her sole expense a home inspector with a current Home Inspector license to assess the condition of the Home and prepare a written report of the condition ("Inspection Report"). The Homeowner shall cooperate fully with the inspection.
- b) The Buyer shall provide a copy of the Inspection Report to Buyer's lender (if any), the Homeowner, and the CLT within 10 days after receiving the Inspection Report.
- c) Homeowner shall repair specific reported defects or conditions necessary to bring the Home into full compliance with Sections 4.2 and 7.5 above prior to transferring the Home.
- d) Homeowner shall bear the full cost of the necessary repairs and replacements. However, upon Homeowner's written request, the CLT may allow the Homeowner to pay all or a portion of the repair costs after transfer, from Homeowner's proceeds of sale, if Homeowner cannot afford to pay such costs prior to the transfer. In such event, either (i) 150% of the unpaid estimated cost of repairs or (ii) 100% of the unpaid cost of completed repairs shall be withheld from Homeowner's proceeds of sale in a CLT-approved escrow account. Homeowner shall allow CLT, Buyer, and Buyer's building inspector and lender's representative to inspect the repairs prior to closing to determine that the repairs have been satisfactorily completed.
- e) Upon sale or other transfer, Homeowner shall either (i) transfer the Home with all originally purchased appliances or replacements in the Home in good working order or (ii) reduce the Purchase Option Price by the market value of any such appliances that are not left with the Home in good working order.

#### ARTICLE 11: RESERVED

#### ARTICLE 12: DEFAULT

12.1 WHAT HAPPENS IF HOMEOWNER FAILS TO MAKE PAYMENTS TO THE CLT THAT ARE REQUIRED BY THE LEASE: It shall be an event of default if Homeowner fails to pay the Lease Fee, Repair Reserve Fee or other charges required by the terms of this Lease and such failure is not cured by Homeowner or a Permitted Mortgagee within thirty (30) days after notice of such failure is given by CLT to Homeowner and Permitted Mortgagee. However, if Homeowner makes a good faith partial payment of at least two-thirds (2/3) of the amount owed during the 30-day cure period, then the cure period shall be extended by an additional 30 days.

12.2 WHAT HAPPENS IF HOMEOWNER VIOLATES OTHER (NONMONETARY) TERMS OF THE LEASE: It shall be an event of default if Homeowner fails to abide by any other requirement or restriction stated in this Lease, and such failure is not cured by Homeowner or a Permitted Mortgagee within sixty (60) days after notice of such failure is given by CLT to Homeowner and Permitted Mortgagee. However, if Homeowner or Permitted Mortgagee has begun to cure such default within the 60-day cure period and is continuing such cure with due diligence but cannot complete the cure within the 60-day cure period, the cure period shall be extended for as much additional time as may be reasonably required to complete the cure.

12.3 WHAT HAPPENS IF HOMEOWNER DEFAULTS AS A RESULT OF JUDICIAL PROCESS: It shall be an event of default if the estate hereby created is taken on execution or by other process of law, or if Homeowner is

judicially declared bankrupt or insolvent according to law, or if any assignment is made of the property of Homeowner for the benefit of creditors, or if a receiver, trustee in involuntary bankruptcy or other similar officer is appointed to take charge of any substantial part of the Home or Homeowner's interest in the Leased Land by a court of competent jurisdiction, or if a petition is filed for the reorganization of Homeowner under any provisions of the Bankruptcy Act now or hereafter enacted, or if Homeowner files a petition for such reorganization, or for arrangements under any provision of the Bankruptcy Act now or hereafter enacted and providing a plan for a debtor to settle, satisfy or extend the time for payment of debts.

#### 12.4 A DEFAULT (UNCURED VIOLATION) GIVES CLT THE RIGHT TO TERMINATE THE LEASE OR EXERCISE ITS PURCHASE OPTION:

a) **TERMINATION:** In the case of any of the events of default described above, CLT may terminate this lease and initiate summary proceedings under applicable law against Homeowner, and CLT shall have all the rights and remedies consistent with such laws and resulting court orders to enter the Leased Land and Home and repossess the entire Leased Land and Home, and expel Homeowner and those claiming rights through Homeowner. In addition, CLT shall have such additional rights and remedies to recover from Homeowner arrears of rent and damages from any preceding breach of any covenant of this Lease. If this Lease is terminated by CLT pursuant to an Event of Default, then, as provided in Section 7.7 above, upon thus assuming title to the Home, CLT shall pay to Homeowner and any Permitted Mortgagee an amount equal to the Purchase Option Price calculated in accordance with Section 10.9 above, as of the time of reversion of ownership, less the total amount of any unpaid Lease Fee, Repair Reserve Fee and any other amounts owed to the CLT under the terms of this Lease and all reasonable costs (including reasonable attorneys' fees) incurred by CLT in pursuit of its remedies under this Lease.

If CLT elects to terminate the Lease, then the Permitted Mortgagee shall have the right (subject to Article 8 above and the attached Exhibit: Permitted Mortgages) to postpone and extend the specified date for the termination of the Lease for a period sufficient to enable the Permitted Mortgagee or its designee to acquire Homeowner's interest in the Home and the Leased Land by foreclosure of its mortgage or otherwise.

b) **EXERCISE OF OPTION:** In the case of any of the events of default described above, Homeowner hereby grants to the CLT (or its assignee) the option to purchase the Home for the Purchase Option Price as such price is defined in Article 10 above. Within thirty (30) days after the expiration of any applicable cure period as established in Sections 12.1 or 12.2 above or within 30 days after any of the events constituting an Event of Default under Section 12.3 above, CLT shall notify the Homeowner and the Permitted Mortgagee(s) of its decision to exercise its option to purchase under this Section 12.4(b). Not later than ninety (90) days after the CLT gives notice to the Homeowner of the CLT's intent to exercise its option under this Section 12.4(a), the CLT or its assignee shall purchase the Home for the Purchase Option Price.

12.5 **WHAT HAPPENS IF CLT DEFAULTS:** CLT shall in no event be in default in the performance of any of its obligations under the Lease unless and until CLT has failed to perform such obligations within sixty (60) days, or such additional time as is reasonably required to correct any default, after notice by Homeowner to CLT properly specifying CLT's failure to perform any such obligation.

#### ARTICLE 13: Mediation and Arbitration

13.1 Nothing in this Lease shall be construed as preventing the parties from utilizing any process of mediation or arbitration in which the parties agree to engage for the purpose of resolving a dispute.

13.2 Homeowner and CLT shall each pay one half (50%) of any costs incurred in carrying out mediation or arbitration in which the parties have agreed to engage.

ARTICLE 14: GENERAL PROVISIONS

14.1 NOTICES: Whenever this Lease requires either party to give notice to the other, the notice shall be given in writing and delivered in person or mailed, by certified or registered mail, return receipt requested, to the party at the address set forth below, or such other address designated by like written notice:

If to CLT: Palmetto Community Land Trust

\_\_\_\_\_

\_\_\_\_\_

If to Homeowner: \_\_\_\_\_ (name of Homeowner)

All notices, demands and requests shall be effective upon being deposited in the United States Mail or, in the case of personal delivery, upon actual receipt.

14.2 NO BROKERAGE: Homeowner warrants that it has not dealt with any real estate broker other than \_\_\_\_\_ in connection with the purchase of the Home. If any claim is made against CLT regarding dealings with brokers other than \_\_\_\_\_, Homeowner shall defend CLT against such claim with counsel of CLT's selection and shall reimburse CLT for any loss, cost or damage which may result from such claim.

14.3 SEVERABILITY AND DURATION OF LEASE: If any part of this Lease is unenforceable or invalid, such material shall be read out of this Lease and shall not affect the validity of any other part of this Lease or give rise to any cause of action of Homeowner or CLT against the other, and the remainder of this Lease shall be valid and enforced to the fullest extent permitted by law. It is the intention of the parties that CLT's option to purchase and all other rights of both parties under this Lease shall continue in effect for the full term of this Lease and any renewal thereof, and shall be considered to be coupled with an interest. In the event any such option or right shall be construed to be subject to any rule of law limiting the duration of such option or right, the time period for the exercising of such option or right shall be construed to expire twenty (20) years after the death of the last survivor of Queen Elizabeth II.

14.4 RIGHT OF FIRST REFUSAL IN LIEU OF OPTION: If the provisions of the purchase option set forth in Article 10 of this Lease shall, for any reason, become unenforceable, CLT shall nevertheless have a right of first refusal to purchase the Home at the highest documented bona fide purchase price offer made to Homeowner. Such right shall be as specified in Exhibit FIRST REFUSAL. Any sale or transfer contrary to this Section, when applicable, shall be null and void.

14.5 WAIVER: The waiver by CLT at any time of any requirement or restriction in this Lease, or the failure of CLT to take action with respect to any breach of any such requirement or restriction, shall not be deemed to be a waiver of such requirement or restriction with regard to any subsequent breach of such requirement or restriction, or of any other requirement or restriction in the Lease. CLT may grant waivers in the terms of this Lease, but such waivers must be in writing and signed by CLT before being effective.

The subsequent acceptance of Lease Fee or Repair Reserve Fee payments by CLT shall not be deemed to be a waiver of any preceding breach by Homeowner of any requirement or restriction in this Lease, other than the failure of the Homeowner to pay the particular Lease Fee or Repair Reserve Fee so accepted, regardless of CLT's knowledge of such preceding breach at the time of acceptance of such Lease Fee or Repair Reserve Fee payment.

14.6 CLT'S RIGHT TO PROSECUTE OR DEFEND: CLT shall have the right, but shall have no obligation, to prosecute or defend, in its own or the Homeowner's name, any actions or proceedings appropriate to the protection of its own or Homeowner's interest in the Leased Land. Whenever requested by CLT, Homeowner shall give CLT all reasonable aid in any such action or proceeding.

14.7 CONSTRUCTION: Whenever in this Lease a pronoun is used it shall be construed to represent either the singular or the plural, masculine or feminine, as the case shall demand.

14.8 HEADINGS AND TABLE OF CONTENTS: The headings, subheadings and table of contents appearing in this Lease are for convenience only, and are not a part of this Lease and do not in any way limit or amplify the terms or conditions of this Lease.

14.9 PARTIES BOUND: This Lease sets forth the entire agreement between CLT and Homeowner with respect to the leasing of the Land; it is binding upon and inures to the benefit of these parties and, in accordance with the provisions of this Lease, their respective successors in interest. This Lease may be altered or amended only by written notice executed by CLT and Homeowner or their legal representatives or, in accordance with the provisions of this Lease, their successors in interest.

14.10 GOVERNING LAW: This Lease shall be interpreted in accordance with and governed by the laws of the State of South Carolina. The language in all parts of this Lease shall be, in all cases, construed according to its fair meaning and not strictly for or against CLT or Homeowner.

14.11 RECORDING: The parties agree, as an alternative to the recording of this Lease, to execute a so-called Memorandum of Lease or Short Form Lease in form recordable and complying with applicable law and reasonably satisfactory to CLT's attorneys. In no event shall such document state the rent or other charges payable by Homeowner under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease.

IN WITNESS WHEREOF, the parties have executed this lease at \_\_\_\_\_ on the day and year first above written.

CHARLESTON REDEVELOPMENT CORPORATION  
Palmetto Community Land Trust

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Its duly authorized agent

\_\_\_\_\_  
Witness

\_\_\_\_\_ (Homeowner):

*[notarize signatures]*

Exhibit LETTER OF AGREEMENT

To: Palmetto Community Land Trust ("the CLT")

Date: \_\_\_\_\_

This letter is given to the CLT to become an exhibit to a Lease between the CLT and me. I will be leasing a parcel of land from the CLT and will be buying the home that sits on that parcel of land. I will therefore become what is described in the Lease as a "the Homeowner."

I have reviewed the terms and conditions of the Lease and other legal documents that are part of this transaction and have had the opportunity to have my legal counsel, if any, review the same.

I understand the way these terms and conditions will affect my rights as a CLT homeowner, now and in the future.

In particular I understand and agree with the following points.

- One of the goals of the CLT is to keep CLT homes affordable for lower income households from one CLT homeowner to the next. I support this goal as a CLT homeowner and as a member of the CLT.
- The terms and conditions of my Lease will keep my home affordable for future "income-qualified persons" (as defined in the Lease). If and when I want to sell my home, the lease requires that I sell it either to the CLT or to another income-qualified person. The terms and conditions of the lease also limit the price for which I can sell the home, in order to keep it affordable for such income-qualified persons.
- It is also a goal of the CLT to promote resident ownership of CLT homes. For this reason, my Lease requires that, if my family and I move out of our home permanently, we must sell it. We cannot continue to own it as absentee owners.
- I understand that I can leave my home to my child or children or other members of my household and that, after my death, they can own the home for as long as they want to live in it and abide by the terms of the Lease, or they can sell it on the terms permitted by the Lease.
- As a CLT homeowner and a member of the CLT, it is my desire to see the terms of the Lease and related documents honored. I consider these terms fair to others and me.

Sincerely

## **Exhibit LAND**

*Correct legal description of area of Leased Land and appurtenant title rights and obligations*

## ***Exhibit DEED***

*Use actual deed*

## Exhibit: PERMITTED MORTGAGES

The rights and provisions set forth in this Exhibit shall be understood to be provisions of Section 8.2 of the Lease. All terminology used in this Exhibit shall have the meaning assigned to it in the Lease.

**A. OBLIGATIONS OF PERMITTED MORTGAGEE.** Any Permitted Mortgagee shall be bound by each of the following requirements unless the particular requirement is removed, contradicted or modified by a rider to this Lease signed by the Homeowner and the CLT to modify the terms of the Lease during the term of the Permitted Mortgage.

1. If Permitted Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Permitted Mortgage, the Permitted Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the CLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Permitted Mortgagee.

2. If, after the cure period has expired, the Permitted Mortgagee intends to accelerate the note secured by the Permitted Mortgage or begin foreclosure proceedings under the Permitted Mortgage, the Permitted Mortgagee shall first notify CLT of its intention to do so, and CLT shall then have the right, upon notifying the Permitted Mortgagee within thirty (30) days of receipt of such notice, to acquire the Permitted Mortgage by paying off the debt secured by the Permitted Mortgage.

3. If the Permitted Mortgagee acquires title to the Home through foreclosure or acceptance of a deed in lieu of foreclosure, the Permitted Mortgagee shall give CLT written notice of such acquisition and CLT shall then have an option to purchase the Home from the Permitted Mortgagee for the full amount owing to the Permitted Mortgagee under the Permitted Mortgage. To exercise this option to purchase, CLT must give written notice to the Permitted Mortgagee of CLT's intent to purchase the Home within thirty (30) days following CLT's receipt of the Permitted Mortgagee's notice. CLT must then complete the purchase of the Home within sixty (60) days of having given written notice of its intent to purchase. If CLT does not complete the purchase within this 60-day period, the Permitted Mortgagee shall be free to sell the Home to another person.

4. Nothing in the Permitted Mortgage or related documents shall be construed as giving Permitted Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Permitted Mortgage.

5. Nothing in the Permitted Mortgage or related documents shall be construed as rendering CLT or any subsequent Mortgagee of CLT's interest in this Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt secured by the Permitted Mortgage or any part thereof.

6. The Permitted Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner, Homeowner's interest in the Leased Land, and the Home for the payment of the debt secured thereby or any part thereof. (It is the intention of the parties hereto that CLT's consent to such the Permitted Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)

7. In the event any part of the Security is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Permitted Mortgagee in accordance with the provisions of ARTICLE 9 hereof.

8. CLT shall not be obligated to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

**B. RIGHTS OF PERMITTED MORTGAGEE.** The rights of a Permitted Mortgagee as referenced under Section 8.6 of the Lease to which this Exhibit is attached shall be as set forth below.

1. Any Permitted Mortgagee shall, without further consent by CLT, have the right to (a) cure any default under this Lease, and perform any obligation required under this Lease, such cure or performance being effective as if it had been performed by Homeowner; (b) acquire and convey, assign, transfer and exercise any right, remedy or privilege granted to Homeowner by this Lease or otherwise by law, subject to the provisions, if any, in the Permitted Mortgage, which may limit any exercise of any such right, remedy or privilege; and (c) rely upon and enforce any provisions of the Lease to the extent that such provisions are for the benefit of a Permitted Mortgagee
2. A Permitted Mortgagee shall not be required, as a condition to the exercise of its rights under the Lease, to assume personal liability for the payment and performance of the obligations of the Homeowner under the Lease. Any such payment or performance or other act by Permitted Mortgagee under the Lease shall not be construed as an agreement by Permitted Mortgagee to assume such personal liability except to the extent Permitted Mortgagee actually takes possession of the Home and Leased Land. In the event Permitted Mortgagee does take possession of the Home and Leased Land and thereupon transfers such property, any such transferee shall be required to enter into a written agreement assuming such personal liability and upon any such assumption the Permitted Mortgagee shall automatically be released from personal liability under the Lease.
3. In the event that title to the estates of both CLT and Homeowner are acquired at any time by the same person or persons, no merger of these estates shall occur without the prior written declaration of merger by Permitted Mortgagee, so long as Permitted Mortgagee owns any interest in the Security or in a Permitted Mortgage.
4. If the Lease is terminated for any reason, or in the event of the rejection or disaffirmance of the Lease pursuant to bankruptcy law or other law affecting creditors' rights, CLT shall enter into a new lease for the Leased Land with the Permitted Mortgagee (or with any party designated by the Permitted Mortgagee, subject to CLT's approval, which approval shall not be unreasonably withheld), not more than thirty (30) days after the request of the Permitted Mortgagee. Such lease shall be for the remainder of the term of the Lease, effective as of the date of such termination, rejection or disaffirmance, and upon all the terms and provisions contained in the Lease. However, the Permitted Mortgagee shall make a written request to CLT for such new lease within sixty (60) days after the effective date of such termination, rejection or disaffirmance, as the case may be. Such written request shall be accompanied by a copy of such new lease, duly executed and acknowledged by the Permitted Mortgagee or the party designated by the Permitted Mortgagee to be the Homeowner thereunder. Any new lease made pursuant to this Section shall have the same priority with respect to other interests in the Land as the Lease. The provisions of this Section shall survive the termination, rejection or disaffirmance of the Lease and shall continue in full effect thereafter to the same extent as if this Section were independent and an independent contract made by CLT, Homeowner and the Permitted Mortgagee.
5. The CLT shall have no right to terminate the Lease during such time as the Permitted Mortgagee has commenced foreclosure in accordance with the provisions of the Lease and is diligently pursuing the same.
6. In the event that CLT sends a notice of default under the Lease to Homeowner, CLT shall also send a notice of Homeowner's default to Permitted Mortgagee. Such notice shall be given in the manner set forth in Section 14.2 of the Lease to the Permitted Mortgagee at the address which has been given by the Permitted Mortgagee to CLT by a written notice to CLT sent in the manner set forth in said Section 14.2 of the Lease.
7. In the event of foreclosure sale by a Permitted Mortgagee or the delivery of a deed to a Permitted Mortgagee in lieu of foreclosure in accordance with the provisions of the Lease, at the election of the Permitted Mortgagee the provisions of Article 10, Sections 10.1 through 10.11 shall be deleted and thereupon shall be of no further force or effect as to only so much of the Security so foreclosed upon or transferred.
8. Before becoming effective, any amendments to this Lease must be approved in writing by Permitted Mortgagee, which approval shall not be unreasonably withheld. If Permitted Mortgagee has neither approved nor rejected a proposed amendment within 60 days of its submission to Permitted Mortgagee, then the proposed amendment shall be deemed to be approved.



C. STANDARD PERMITTED MORTGAGE AGREEMENT. A Standard Permitted Mortgage Agreement, as identified in Section 8.4 of this Lease, shall be written as follows, and shall be signed by Mortgagee and Homeowner.

*This Agreement is made by and among:*

\_\_\_\_\_ (Mortgagee) and  
\_\_\_\_\_ ("Homeowner"),

*Whereas:*

- a) \_\_\_\_\_ CLT (the "CLT") and Homeowner have entered, or are entering, into a ground lease ("the Lease"), conveying to Homeowner a leasehold interest in the Land located at \_\_\_\_\_ ("the Leased Land"); and Homeowner has purchased, or is purchasing, the Home located on the Leased Land ("the Home").
- b) The Mortgagee has been asked to provide certain financing to the Homeowner, and is being granted concurrently herewith a mortgage and security interest (the "Mortgage") in the Leased Land and Home, all as more particularly set forth in the Mortgage, attached hereto as Schedule A.
- c) The Ground Lease states that the Homeowner may mortgage the Leased Land only with the written consent of CLT. The Ground Lease further provides that CLT is required to give such consent only if the Mortgagee signs this Standard Permitted Mortgage Agreement and thereby agrees to certain conditions that are stipulated herein ("the Stipulated Conditions").

*Now, therefore, the Homeowner/Mortgagor and the Mortgagee hereby agree that the terms and conditions of the Mortgage shall include the Stipulated Conditions stated below.*

*Stipulated Conditions:*

- 1) *If Mortgagee sends a notice of default to the Homeowner because the Homeowner has failed to comply with the terms of the Mortgage, the Mortgagee shall, at the same time, send a copy of that notice to the CLT. Upon receiving a copy of the notice of default and within that period of time in which the Homeowner has a right to cure such default (the "cure period"), the CLT shall have the right to cure the default on the Homeowner's behalf, provided that all current payments due the Permitted Mortgagee since the notice of default was given are made to the Mortgagee.*
- 2) *If, after such cure period, the Mortgagee intends to accelerate the note secured by the Mortgage or initiate foreclosure proceedings under the Mortgage, in accordance with the provisions of the Lease, the Mortgagee shall first notify CLT of its intention to do so and CLT shall have the right, but not the obligation, upon notifying the Mortgagee within thirty (30) days of receipt of said notice, to purchase the Mortgagee loans and to take assignment of the Mortgage.*
- 3) *If the Mortgagee acquires title to the Home and Homeowner's interest in the Leased Land through foreclosure or acceptance of a deed in lieu of foreclosure, the Mortgagee shall give the CLT written notice of such acquisition and the CLT shall have an option to purchase the Home and Homeowner's interest in the Leased Land from the Mortgagee for the full amount owing to the Mortgagee; provided, however, that the CLT notifies the Mortgagee in writing of the CLT's intent to make such purchase within thirty (30) days following the CLT's receipt of the Mortgagee's notice of such acquisition of the Home and Homeowner's interest in the Leased Land; further provided that CLT shall complete such purchase within sixty (60) days of having given written notice of its intent to purchase; and provided that, if the CLT does not complete the purchase within such period, the Mortgagee shall be free to sell the Home and Homeowner's interest in the Leased Land to another person;*
- 4) *Nothing in the Mortgage or related documents shall be construed as giving the Mortgagee a claim on CLT's interest in the Leased Land, or as assigning any form of liability to the CLT with regard to the Leased Land, the Home, or the Mortgage.*

5) Nothing in the Mortgage shall be construed as rendering CLT or any subsequent holder of the CLT's interest in and to the Lease, or their respective heirs, executors, successors or assigns, personally liable for the payment of the debt evidenced by such note and such Mortgage or any part thereof.

6) The Mortgagee shall not look to CLT or CLT's interest in the Leased Land, but will look solely to Homeowner and Homeowner's interest in the Leased Land and the Home for the payment of the debt secured by the Mortgage. (It is the intention of the parties hereto that CLT's consent to the Mortgage shall be without any liability on the part of CLT for any deficiency judgment.)

7) In the event that any part of the Leased Land is taken in condemnation or by right of eminent domain, the proceeds of the award shall be paid over to the Mortgagee in accordance with the provisions of Article 9 of the Lease.

8) Nothing in the Mortgage shall obligate CLT to execute an assignment of the Lease Fee or other rent payable by Homeowner under the terms of this Lease.

By:

\_\_\_\_\_ for Mortgagee                      Date: \_\_\_\_\_

\_\_\_\_\_ for Homeowner/Mortgagor      Date: \_\_\_\_\_

## Exhibit FIRST REFUSAL

Whenever any party under the Lease shall have a right of first refusal as to certain property, the following procedures shall apply. If the owner of the property offering it for sale ("Offering Party") shall within the term of the Lease receive a bona fide third party offer to purchase the property which such Offering Party is willing to accept, the holder of the right of first refusal (the "Holder") shall have the following rights:

a) Offering Party shall give written notice of such offer ("the Notice of Offer") to Holder setting forth (a) the name and address of the prospective purchaser of the property, (b) the purchase price offered by the prospective purchaser and (c) all other terms and conditions of the sale. Holder shall have a period of forty-five (45) days after the receipt of the Notice of Offer ("the Election Period") within which to exercise the right of first refusal by giving notice of intent to purchase the property ("the Notice of Intent to Purchase") for the same price and on the same terms and conditions set forth in the Notice of Offer. Such Notice of Intent to Purchase shall be given in writing to the Offering Party within the Election Period.

b) If Holder exercises the right to purchase the property, such purchase shall be completed within sixty (60) days after the Notice of Intent to Purchase is given by Holder (or if the Notice of Offer shall specify a later date for closing, such date) by performance of the terms and conditions of the Notice of Offer, including payment of the purchase price provided therein.

c) Should Holder fail to exercise the right of first refusal within the Election Period, then the Offering Party shall have the right (subject to any other applicable restrictions in the Lease) to go forward with the sale which the Offering Party desires to accept, and to sell the property within one (1) year following the expiration of the Election Period on terms and conditions which are not materially more favorable to the purchaser than those set forth in the Notice. If the sale is not consummated within such one-year period, the Offering Party's right so to sell shall end, and all of the foregoing provisions of this section shall be applied again to any future offer, all as aforesaid. If a sale is consummated within such one-year period, the purchaser shall purchase subject to the Holder having a renewed right of first refusal in said property.

**Exhibit INITIAL APPRAISAL**

Attach copy of initial appraisal

## **Exhibit STANDARD PERMITTED MORTGAGE AGREEMENT**

Attach agreement signed by lender and by homeowner, as specified section 8.c of the 'Permitted Mortgage Agreement' exhibit above.

**Exhibit STANDARD PERMITTED MORTGAGE AGREEMENT  
TO  
PCLT Ground Lease Agreement**

Attach agreement signed by lender and by homeowner, as specified section 8.c of the 'Permitted Mortgage Agreement' exhibit above.

## EXHIBIT "B"

TO

### TRANSFER AGREEMENT

#### Redevelopment Contingencies Addendum

1. Definitions: In addition to the words and terms defined elsewhere in the Transfer Agreement, the following terms shall have the following meanings for purposes of this Addendum:
- (A) "Architect" means the Developer's design architect or such other architect or architects as shall be employed by the Developer and approved by the City.
  - (B) "Architect's Contract" means the written agreement between the Developer and the Architect providing for architectural services to the Developer relating to the Development of the Project.
  - (C) "Change Orders" means any amendment or modification of the Development Documents.
  - (D) "Construction Contract" means the agreement between the Developer and the General Contractor, as approved by the City, signed by all of the parties thereto and dated on or before the Initial Closing providing for the Development of the Property.
  - (E) "Cost Estimate" means the detailed schedule and construction budget prepared by the Developer, as approved by the City, showing a detailed itemization of the costs of acquiring the Property and the Development, including a line item development budget (including a listing of all sources and uses of funds), an itemization of all costs anticipated by the Developer incident to the Project and the resale of the Project to an Eligible Buyer, and all costs or other amounts funded or to be funded by the City Loan, the Lender Loan and from equity contributions of the Developer or others.
  - (F) "Developer" means the original Developer named above, and its successors and assigns.
  - (G) "Developer's Inspector" means an engineering or architectural firm hired by the Developer and approved by the City, which may be the Architect.
  - (H) "Development" means any and all repairs, construction, reconstruction, renovations, development, redevelopment, improvements, modifications or additions now or hereafter made to or constructed on the Property as contemplated by the Transfer Agreement, the Development Agreement, the Drawings and the Development Documents.
  - (I) "Development Documents" means the Construction Contract together with the general and special conditions attached thereto, the Architect's Contract, the Drawings, any Change Orders, and the General Contractor's bids and proposals.

- (J) "Development Schedule" means a schedule prepared by the Developer and delivered to and approved by the City providing a detailed schedule of the dates by which portions of the Project shall be completed, together with a detailed funding schedule for all items and showing the amount the Developer anticipates drawing during the Development of the Project from loans and other sources, as approved by the City, including any amendments or modifications thereto as may be made by the Developer from time to time and approved by the City according to the terms of the Development Agreement.
- (K) "Draw Request" means a request for disbursement of the City Loan proceeds prepared by the Developer and delivered to the City.
- (L) "Drawings" means the final plans and specifications for the Development of the Property, as approved by the City, including any amendments or modifications thereto as may be made by the Developer from time to time and approved by the City according to the terms of the Development Agreement.
- (M) "Final Closing" means the date on which the Project is sold and title thereto conveyed by the Developer to an Eligible Buyer
- (N) "General Contractor" means such contractor or contractors as shall be employed by the Developer for Development of the Project and approved by the City.
- (O) "Initial Closing" means the date on which a Property is sold and title thereto conveyed by the City to the Developer.
- (P) "Insurance Requirements" means the City' requirements for the policies of insurance as provided for and required by the Transfer Agreement, the Development Agreement, the City Loan Documents, the Palmetto Community Land Trust (PCLT) Ground Lease Agreement, and the Lender.
- (Q) "Legal Authorities" or "Legal Authority" means any federal, state or local governmental or quasi-governmental body, office, department, agency, board, court or other instrumentality thereof exercising jurisdiction over the Development of the Project, the operation and occupancy of the Project, the Developer, the performance by the Developer of any act or obligation, or the observance by the Developer of any agreement, provision or condition of any nature whatsoever contained in this Agreement.
- (R) "Legal Requirements" means any law, ordinance, order, code, rule, regulation or standard of any Legal Authority.
- (S) "Project" means the Property and the Development collectively.
- (T) "Qualified Purchaser" means a person (or persons) who is (are) qualified by the City for home ownership and to purchase the Project upon completion thereof in accordance with the Palmetto Community Land Trust Ground Lease Agreement existing or future guidelines.



- (U) "Substantial Completion" or "Substantially Completed" means the date when: (i) the Development of the Project shall have been fully completed in a good and workmanlike manner and according to the Development Documents, in full compliance with all applicable Legal Requirements of any Legal Authority, except for punch list items approved by the City; and (ii) all certificates of use and occupancy have been issued by all appropriate Legal Authorities for the Project.

2. The following contingencies shall apply to each Property to be conveyed under the Transfer Agreement. The City shall not be obligated to close and convey a Property to the Developer under the Transfer Agreement unless the following conditions shall have been satisfied for such Property on or before the closing for such Property:

- (A) The representations and warranties of the Developer contained in the Transfer Agreement, the Development Agreement, and otherwise made by or on behalf of the Developer shall be true and correct in all material respects on and as of the closing for such Property.
- (B) The Developer shall have satisfied each of the conditions precedent to the closing for the Property as contained in the Transfer Agreement.
- (C) The Developer shall have satisfied each of the conditions precedent to the closing of the City Loan for the Property as contained in the City Loan Documents and the City Loan must close on or before the date of the closing for the Property.
- (D) The Developer shall have satisfied each of the conditions precedent to the closing of any other loan or loans, if any, approved by the City and necessary to finance the acquisition of the Property and the Development of the Project, and each such loan or loans must close on or before the date of the closing for the Property and each such loan is junior and subordinate to the City Loan, the City Loan Documents and the Charleston Redevelopment Corporation's Palmetto Community Land Trust (PCLT) Ground Lease Agreement.
- (E) The Developer, at its sole cost and expense, must have provided or caused to be provided to the City, in a format prescribed by the City, and the City must have received, reviewed and approved the following:
  - (1) Authority and Capacity: Evidence of the Developer's organization, valid existence, authority to enter into the Development Agreement, good standing, current compliance with all laws, payments of taxes, and such other documents as the City may require.
  - (2) Financial Statements: The Developer shall provide the City with such financial reports and information relating to the Developer, the General Contractor and the Project as the City may request (including, without limitation, balance sheets, profit/loss statements, and tax returns for the current year and the prior three (3) years), which financial reports and information shall be prepared in accordance with the requirements of the City, certified by an officer of the Developer or the

General Contractor as the case may be, and, if requested by the City, prepared by an independent certified public account.

- (3) Other Developer Information: The Developer shall provide the City with such other reports and information relating to the Developer as the City may request, including, without limitation, information on the Developer's background, mission, history, list of Board of Directors and/or Trustees, experience, qualifications, list of projects, and resumes of key staff members.
- (4) Insurance: The original policies of insurance or certificates of insurance satisfactory to the City satisfying the Insurance Requirements, together with evidence of the payment of premiums therefore. Such insurance shall include, without limitation, the Developer's effective, paid-up policies of fire, flood and all-risk replacement cost coverage of all insurable improvements on the Property (during and with respect to Development, in builder's risk completed value form); workers' compensation insurance; comprehensive general public liability insurance; and such other or additional insurance, and covering such risks, as the City requires. All policies must be written by insurers, in amounts, with endorsements, and on terms and conditions satisfactory to the City. If requested by the City, the Developer will have the City named as an additional insured under the above-referenced insurance policies. The Developer shall keep all such insurance coverage in place until such time as the Final Closing occurs and has concluded.
- (5) Availability of Funds: Assurance satisfactory to the City of the availability of any and all funds required for completion of the Project in excess of the proceeds of the City Loan and the Lender Loan, including payment to the City of such sums as may be required by the City.
- (6) Legal Opinion: An opinion of the Developer's counsel to the effect that the Developer is duly organized and validly existing and in good standing under the laws of the state of its organization, authorized to do business in the State of South Carolina, with full power to own the Property and execute, deliver and perform its obligations under the Development Agreement; that the Development Agreement is valid and legally binding and enforceable against the Developer in accordance with its terms, subject to laws pertaining to bankruptcy and insolvency; and opining to such other matters as may be required by the City.
- (7) Errors and Omissions Insurance: Copies of the Architects and the Developer's Inspector's certificate of Errors and Omissions Insurance in an amount acceptable to the City, and endorsed so that the policies will not be terminated, expired or canceled without thirty (30) days advance written notice to the City.
- (8) Cost Estimate and Development Documents: The Cost Estimate and all Development Documents with any modifications thereto, together with evidence of written approval thereof by the City. If requested by the City, the Developer must also provide the City or cause to be provided to the City, and the City must have received, reviewed and approved, consents for the City to use the Development

Documents in connection with the Development and collateral assignments to the City of the Developer's rights in the Development Documents and in such other contracts and agreements as the City shall require. The Developer's contractors, architects, engineers and any major subcontractors shall be subject to approval by the City. All Development Documents, including, without limitation, the Construction Contract, must be guaranteed maximum price contracts.

- (9) Payment and Performance Bonds: Assurance of completion of the Development by the General Contractor in the form of payment and performance bonds, each in the amount of one hundred percent (100%) of the Construction Contract satisfactory in all respects to the City and the Lender as obligees, or, in the alternative, at the discretion of the City and the Lender, a completion assurance agreement and an unconditional irrevocable letter of credit acceptable in all respects to the City and the Lender in an amount equal to one hundred percent (100%) of the total sum of the Construction Contract to assure performance and payment, or other assurance acceptable to the City and the Lender.
- (10) Authorized Signers: The Developer and the General Contractor shall advise the City in writing of the individual(s) within their organizations who are authorized to sign Draw Requests, Change Orders, forms relating to completion and cost certification, or any other forms required by the City during Development, or to certify completion of Development. It shall be the responsibility of the Developer and the General Contractor to notify the City in writing in advance of any changes in the designated signatories.
- (11) Development Schedule: The Developer shall deliver the Development Schedule to the City and the City must approve same. The Developer may revise the draw schedule for the City Loan, as included in the Development Schedule, by submitting the revision to the City before the fifteenth (15<sup>th</sup>) day of each month. If approved by the City, the revised Development Schedule will take effect on the first (1<sup>st</sup>) day of the second calendar month following its submission.
- (12) Other Lender Documents: The Developer shall deliver to the City true copies of the promissory note(s) evidencing all loans relating to the Project, including, without limitation, the Lender loan(s), together with any mortgage(s) securing said loans, certified by the lenders thereof as to their authenticity.
- (13) Development Team: The Developer shall provide in writing a list (including names, addresses and telephone numbers) of all development team members, including, but not limited to, the Developer's attorney, general contractor, architect, surveyor, consultants, etc.
- (14) Appraisal: An initial appraisal of the estimated market value of the Property with the proposed improvements to be followed by a certification of final as-built value upon Substantial Completion. The appraisal(s) must be addressed to the City and must conform to the Uniform Standards of Professional Appraisal Practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal Foundation.

Any deviation from the USPAP must be explained in the appraisal(s). The appraiser(s) must be licensed and/or certified if required by applicable Federal Deposit Insurance Corporation regulations or state laws, and must be approved by the City and the Lender.

- (15) Survey: A current survey of the Property prepared by a registered surveyor satisfactory to the City within sixty (60) days of the Initial Closing, signed, sealed and certified by the surveyor to the Developer and the City.
- (16) Sales Pro-forma: A sales pro-forma evidencing the projected price for which the Project will be re-sold by the Developer to an Eligible Buyer; provided, however, the parties hereby acknowledge and agree that the projected price may change as provided in the Development Agreement based on unexpected and/or unanticipated costs actually incurred by the Developer in the Development of the Project.
- (17) Building Permit/Approvals/Licenses: Copies of a valid building permit for the Project and all other permits, licenses and approvals necessary for Development of the Project, including, without limitation, any necessary permits, licenses and approvals for the Drawings, any demolition, historic preservation, use and occupancy, and for access and utility services to the Project.
- (18) Soil Tests: Soil tests and a foundation report regarding the Property by an engineer satisfactory to the City; provided, however, the City, at its option, may agree to waive this requirement if the Architect, General Contractor, or engineer provides the City with written certification satisfactory to the City that such tests and reports are not necessary.
- (19) Utilities: Evidence that the Project will be directly connected to abutting public water, sewer, gas, electrical and telephone lines and pipes (and any other utilities necessary for the Project) properly operating and in sufficient capacity with all charges currently paid.
- (20) Zoning: Evidence that all applicable zoning ordinances and similar Legal Requirements permit the use for which the Project is intended and have been and will be complied with (including building codes and requirements as to parking, building setbacks, lot size and ingress and egress), without the necessity of variance, without reliance on any other property, and without the Project being a nonconforming use.
- (21) Disabilities Laws: Evidence that the Developer, the Project and the Drawings, and the Development and present and intended use and occupancy of the Project, do and will comply with all other applicable Legal Requirements, including those regarding access and facilities for handicapped or disabled persons.
- (22) Access: Evidence that the Project abuts and has fully adequate direct and free access to one or more dedicated public streets and thoroughfares and that all easements, leases and other rights necessary for the present and intended use of the

Project, including those for ingress and egress, for vehicular and pedestrian traffic and for vehicle parking, are and will continue in effect.

- (23) Storm Water: Evidence that the Project will have adequate, properly approved and permitted storm water run-off and/or detention.
- (24) Cost Estimate: The Cost Estimate.
- (25) Taxpayer Identification Number: The federal taxpayer identification number for the Developer.
- (26) Miscellaneous: Such other evidence, documents, certificates and items reasonably requested by the City or the Lender.

If the above contingencies are not satisfied by closing for a Property, then either the Developer or the City shall have the option, in its sole discretion, to terminate and cancel this Transfer Agreement as to such Property; provided, however, that notwithstanding such termination as to such Property, this Transfer Agreement shall not be terminated as to the other Properties covered by this Transfer Agreement and shall nonetheless continue in full force and effect as to such other Properties. Each of the above contingencies shall apply to each Property to be conveyed under this Transfer Agreement, and each such contingency shall survive the closing of each Property, and, as a result, shall be a condition precedent to the closing of each other property not they yet closed.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the day and year first herein above written.

WITNESSES:

CITY:

The City of Charleston

  
Witness 1

  
Witness 2

By:


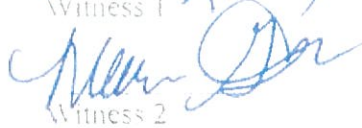


Its:

John J. Tecklenburg  
Mayor

DEVELOPER:

Charleston Redevelopment Corporation

  
Witness 1  
  
Witness 2

By:

  
Melissa Maddox, Esq. PST, JAKOFF  
Board Chairperson

Its:

f(i),



Ratification  
Number \_\_\_\_\_

# AN ORDINANCE

TO PROVIDE FOR THE ANNEXATION OF PROPERTY KNOWN AS 416 RIVERLAND DRIVE (0.26 ACRE) (TMS# 343-10-00-002), JAMES ISLAND, CHARLESTON COUNTY, TO THE CITY OF CHARLESTON, SHOWN WITHIN THE AREA ANNEXED UPON A MAP ATTACHED HERETO AND MAKE IT PART OF DISTRICT 11. THE PROPERTY IS OWNED BY W. COLEMAN AND CHRISTINA M. LAWRIMORE.

BE IT ORDAINED BY THE MAYOR AND THE MEMBERS OF CITY COUNCIL, IN CITY COUNCIL ASSEMBLED:

Section 1. As an incident to the adoption of this Ordinance, City Council of Charleston finds the following facts to exist:

- A) Section 5-3-150, Code of Laws of South Carolina (1976) as amended, provides a method of annexing property to a city or town upon a Petition by all persons owning real estate in the area requesting annexation.
- B) The City Council of Charleston has received a Petition requesting that a tract of land in Charleston County hereinafter described be annexed to and made a part of the City of Charleston, which Petition is signed by all persons owning real estate in the area requesting annexation.
- C) The area comprising the said property is contiguous to the City of Charleston.

Section 2. Pursuant to Section 5-3-150, Code of Laws of South Carolina (1976) as amended, the following described property be and hereby is annexed to and made part of the City of Charleston and is annexed to and made part of present District 11 of the City of Charleston, to wit:

SAID PROPERTY to be annexed, 416 Riverland Drive, (0.26 acre) is identified by the Charleston County Assessors Office as TMS# 343-10-00-002, (see attached map) and includes public rights-of-way, shown within the area annexed upon a map attached hereto and made a part hereof.

Section 3. This ordinance shall become effective upon ratification.

Ratified in City Council this \_\_\_\_\_ day of \_\_\_\_\_ in the Year of Our Lord, \_\_\_\_\_, in the \_\_\_\_\_ Year of the Independence of the United States of America.

By: \_\_\_\_\_  
John J. Tecklenburg  
Mayor

Attest: \_\_\_\_\_  
Vanessa Turner-Maybank  
Clerk of Council

# Annexation Profile

**Parcel Address:** 416 Riverland Drive

**Presented to Council:** 6/9/2020

**Status:** Received Signed Petition

**Owner Names:** W. Coleman and Christina M. Lawrimore

**Year Built:** 1950

**Parcel ID:** 3431000002

**Number of Units:** 1

**Number of Persons:** 3

**Race:** Caucasian

**Acreage:** 0.26

**Mailing Address:** 416 Riverland Dr

**Current Land Use:** Residential

**Address:** Charleston, SC 29412

**Current Zoning:** R-4

**Requested Zoning:** SR-1

**City Area:** James Island

**Recommended Zoning:** SR-1

**Subdivision:** Green Acres

**Appraised Value:** \$450,000.00

**Council District:** 11

**Assessed Value:** \$27,000.00

**Within UGB:** Yes

**Stormwater Fees:** To Be Calculated

<b>Police</b>	Located in existing service area - Team 3
<b>Fire</b>	Located in existing service area - Station 13
<b>Public Service</b>	
<b>Sanitation</b>	Located in existing service area. One additional stop.
<b>Storm Water</b>	Contiguous to existing service area.
<b>Streets and Sidewalks</b>	Additional State-maintained right-of-way
<b>Traffic and Transportation</b>	
<b>Signalization</b>	None
<b>Signage</b>	None
<b>Pavement Markings</b>	None
<b>Charleston Water System</b>	CWS provides water. James Island PSD provides sewer.
<b>Planning</b>	
<b>Urban Growth Line</b>	Property is a developed site within the line.
<b>City Plan (Century Five)</b>	Suburban Edge
<b>Elevation Range</b>	12-14 ft
<b>Parks</b>	Already being served.

**Notes/Comments:**

**City Plan Recommendation:**

The existing development and proposed zoning is consistent with the City Plan. Recommend annexation.



STATE OF SOUTH CAROLINA )  
 ) PETITION FOR ANNEXATION  
COUNTY OF CHARLESTON )

TO THE HONORABLE MAYOR AND CITY COUNCIL OF CHARLESTON

WHEREAS, SECTION 5-3-150 (3) Code of laws of South Carolina provides for the annexation of an area or property which is contiguous to a City by filing with the municipal governing body a petition signed by all persons owning real estate in the area requesting annexation, and

WHEREAS, the undersigned are all persons owning real estate in the area requesting annexation, and

WHEREAS, the area requesting annexation is described as follows, to wit:

SAID PROPERTY, located on James Island (approximately 0.26 acres) to be annexed is identified by the Charleston County Assessors Office as Property Identification Number: TMS# 343-10-00-002 (Address: 416 Riverland Drive).

NOW, THEREFORE, the undersigned petition the City Council of Charleston to annex the above described area into the municipal limits of the City of Charleston.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2020

FREEHOLDERS (OWNERS) SIGNED

DATE OF SIGNATURE

[Signature]  
(Signature)

05 05 2020  
(Date)

W. Coleman Lawrence  
(Print Name)

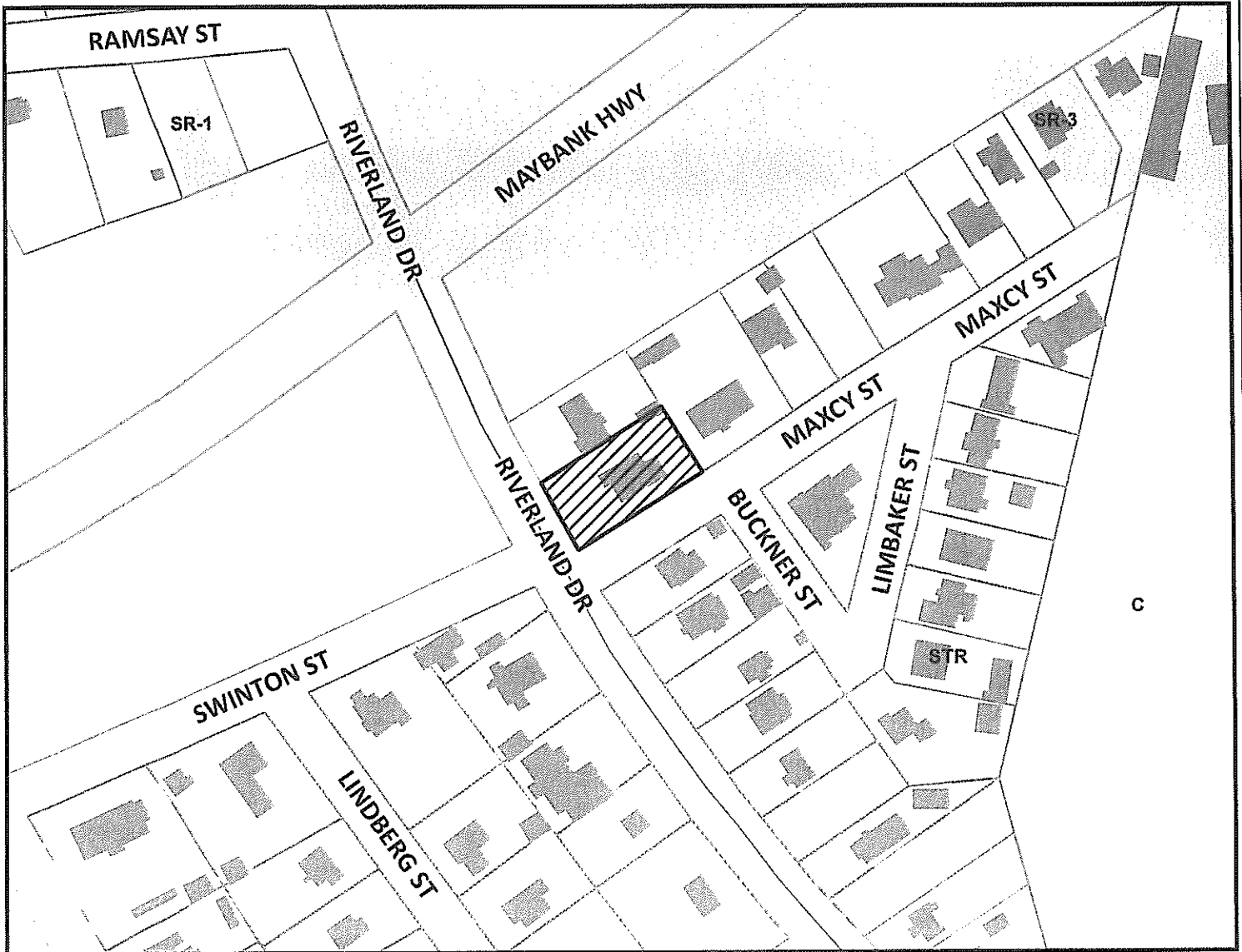
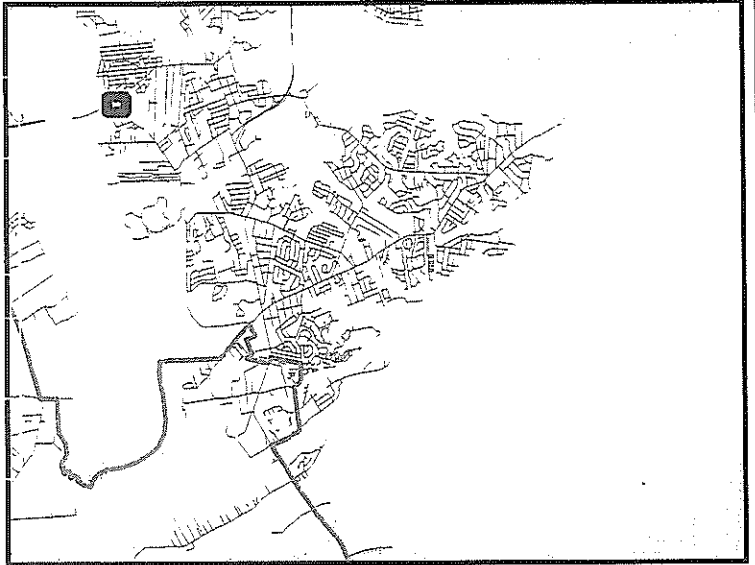
[Signature]  
(Signature)

05 05 2020  
(Date)

Christina Lawrence  
(Print Name)

# Annexation Map

**Location:** James Island  
**Property Address:** 416 Riverland Dr  
**Tax Map # (TMS):** 3431000002  
**Area (Acres):** 0.26  
**Council District:** 11



City of Charleston  
Dept. of Planning, Preservation & Sustainability  
2 George St, Third Floor  
Charleston, SC 29401  
www.charleston-sc.gov

### Legend

- Parcels
- Water
- Charleston City Limits
- Annexation Area



0 50 100 Feet



Ratification  
Number \_\_\_\_\_

# AN ORDINANCE

TO PROVIDE FOR THE ANNEXATION OF PROPERTY KNOWN AS 450 RIVERLAND DRIVE (0.5 ACRE) (TMS# 343-10-00-019), JAMES ISLAND, CHARLESTON COUNTY, TO THE CITY OF CHARLESTON, SHOWN WITHIN THE AREA ANNEXED UPON A MAP ATTACHED HERETO AND MAKE IT PART OF DISTRICT 11. THE PROPERTY IS OWNED BY WHITNEY AND ALEXANDER PASQUINI.

BE IT ORDAINED BY THE MAYOR AND THE MEMBERS OF CITY COUNCIL, IN CITY COUNCIL ASSEMBLED:

Section 1. As an incident to the adoption of this Ordinance, City Council of Charleston finds the following facts to exist:

- A) Section 5-3-150, Code of Laws of South Carolina (1976) as amended, provides a method of annexing property to a city or town upon a Petition by all persons owning real estate in the area requesting annexation.
- B) The City Council of Charleston has received a Petition requesting that a tract of land in Charleston County hereinafter described be annexed to and made a part of the City of Charleston, which Petition is signed by all persons owning real estate in the area requesting annexation.
- C) The area comprising the said property is contiguous to the City of Charleston.

Section 2. Pursuant to Section 5-3-150, Code of Laws of South Carolina (1976) as amended, the following described property be and hereby is annexed to and made part of the City of Charleston and is annexed to and made part of present District 11 of the City of Charleston, to wit:

SAID PROPERTY to be annexed, 450 Riverland Drive, (0.5 acre) is identified by the Charleston County Assessors Office as TMS# 343-10-00-019, (see attached map) and includes public rights-of-way, shown within the area annexed upon a map attached hereto and made a part hereof.

Section 3. This ordinance shall become effective upon ratification.

Ratified in City Council this \_\_\_\_\_ day of \_\_\_\_\_ in the Year of Our Lord, \_\_\_\_\_, in the \_\_\_\_\_ Year of the Independence of the United States of America.

By: \_\_\_\_\_  
John J. Tecklenburg  
Mayor

Attest: \_\_\_\_\_  
Vanessa Turner-Maybank  
Clerk of Council

# Annexation Profile

**Parcel Address:** 450 Riverland Drive

**Presented to Council:** 6/9/2020  
**Status:** Received Signed Petition

**Owner Names:** Whitney and Alexander Pasquini

**Year Built:** 1945

**Parcel ID:** 3431000019

**Number of Units:** 1  
**Number of Persons:** 2  
**Race:** Caucasian  
**Acreage:** 0.5

**Mailing Address:** 450 Riverland Dr  
 Charleston, SC 29412

**Current Land Use:** Residential  
**Current Zoning:** R-4  
**Requested Zoning:** SR-1  
**Recommended Zoning:** SR-1  
**Appraised Value:** \$320,500.00  
**Assessed Value:** \$8,140.00  
**Stormwater Fees:** To Be Calculated

**City Area:** James Island  
**Subdivision:** Green Acres  
**Council District:** 11  
**Within UGB:** Yes

<b>Police</b>	Located in existing service area - Team 3
<b>Fire</b>	Located in existing service area - Station 13
<b>Public Service</b>	
<b>Sanitation</b>	Located in existing service area. One additional stop.
<b>Storm Water</b>	Contiguous to existing service area.
<b>Streets and Sidewalks</b>	Additional State-maintained right-of-way
<b>Traffic and Transportation</b>	
<b>Signalization</b>	None
<b>Signage</b>	None
<b>Pavement Markings</b>	None
<b>Charleston Water System</b>	CWS provides water. James Island PSD provides sewer.
<b>Planning</b>	
<b>Urban Growth Line</b>	Property is a developed site within the line.
<b>City Plan (Century Five)</b>	Suburban Edge
<b>Elevation Range</b>	9-16 ft
<b>Parks</b>	Already being served.

**Notes/Comments:**

**City Plan Recommendation:** The existing development and proposed zoning is consistent with the City Plan. Recommend annexation.

STATE OF SOUTH CAROLINA )  
 ) PETITION FOR ANNEXATION  
COUNTY OF CHARLESTON )

TO THE HONORABLE MAYOR AND CITY COUNCIL OF CHARLESTON

WHEREAS, SECTION 5-3-150 (3) Code of laws of South Carolina provides for the annexation of an area or property which is contiguous to a City by filing with the municipal governing body a petition signed by all persons owning real estate in the area requesting annexation, and

WHEREAS, the undersigned are all persons owning real estate in the area requesting annexation, and

WHEREAS, the area requesting annexation is described as follows, to wit

SAID PROPERTY located on James Island (approximately 0.5 acres) to be annexed is identified by the Charleston County Assessors Office as Property Identification Number TMS: ~~343~~ 343 100 00 19  
(Address) 410 FIRESTONE DR CHARLESTON SC 29412

NOW THEREFORE, the undersigned petition the City Council of Charleston to annex the above described area into the municipal limits of the City of Charleston

Dated this 22 day of  
May 2020

FREEHOLDERS (OWNERS) SIGNED

DATE OF SIGNATURE

*Whitney Pasquini*  
(Signature)

22 May 2020  
(Date)

Whitney Pasquini  
(Print Name)

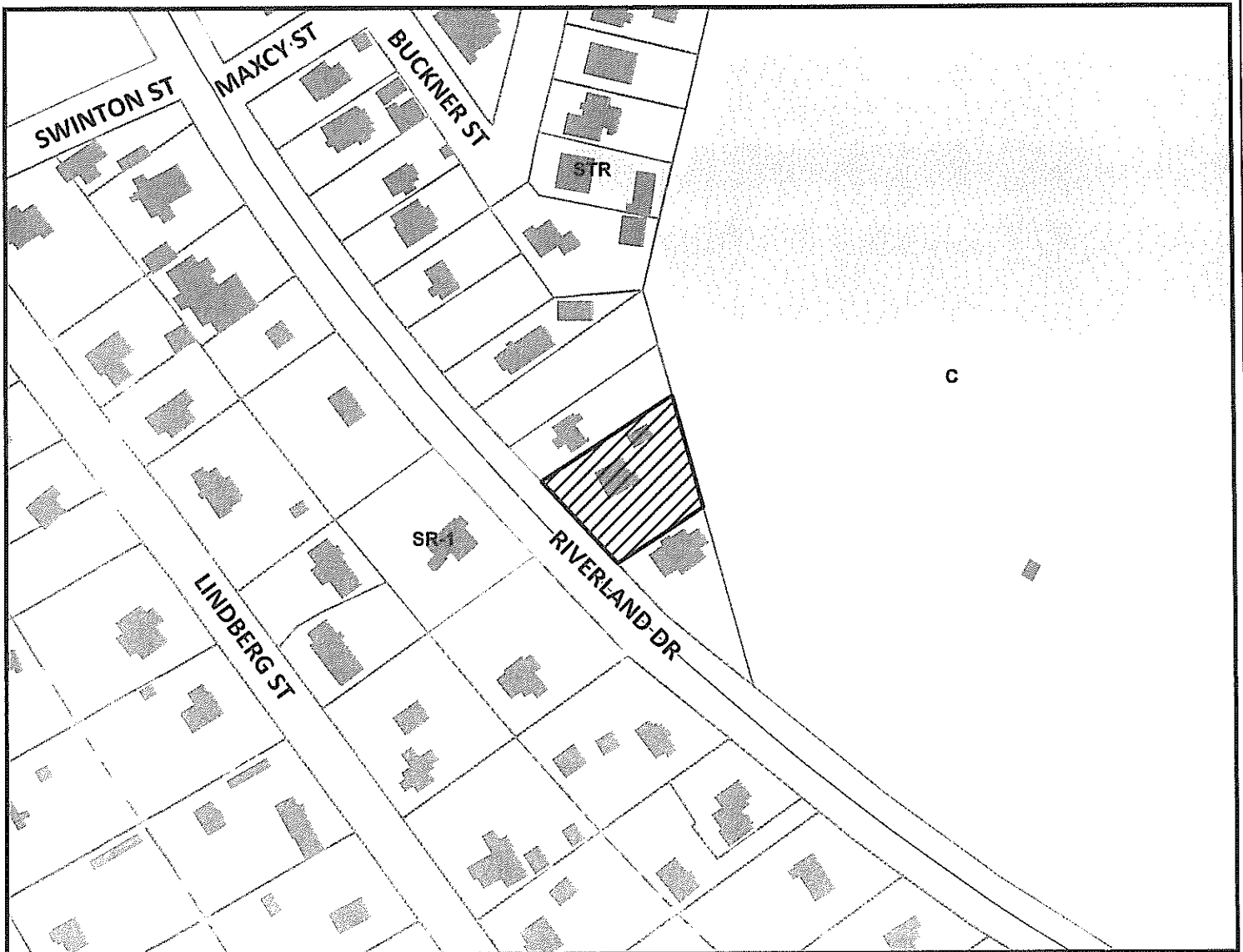
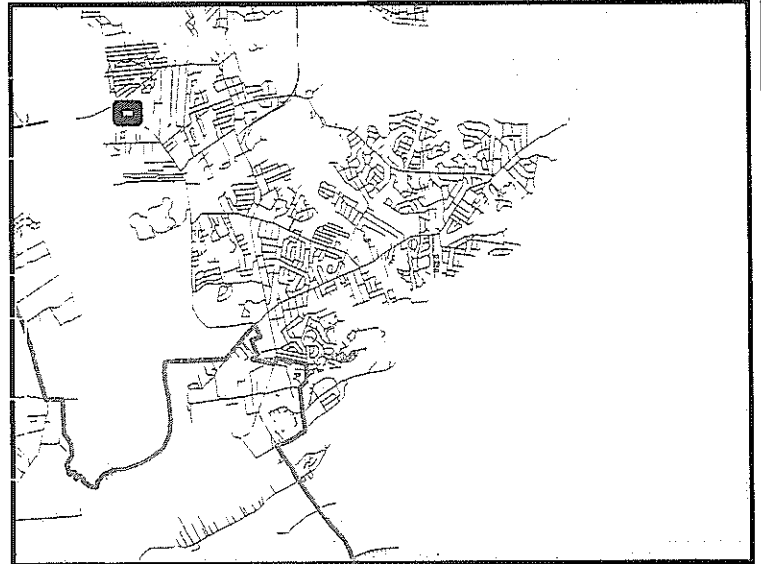
*Alexander Pasquini*  
(Signature)

22 May 2020  
(Date)

Alexander Pasquini  
(Print Name)




# Annexation Map

**Location:** James Island  
**Property Address:** 450 Riverland Dr  
**Tax Map # (TMS):** 3431000019  
**Area (Acres):** approx. 0.5  
**Council District:** 11



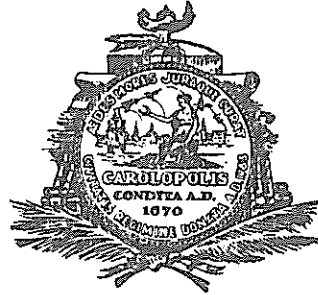
City of Charleston  
Dept. of Planning, Preservation &  
Sustainability  
2 George St, Third Floor  
Charleston, SC 29401  
[www.charleston-sc.gov](http://www.charleston-sc.gov)

### Legend

-  Parcels
-  Water
-  Charleston City Limits
-  Annexation Area



0 50 100  
Feet



Ratification  
Number \_\_\_\_\_

# AN ORDINANCE

TO PROVIDE FOR THE ANNEXATION OF PROPERTY KNOWN AS 334 FOLLY ROAD (0.40 ACRE) (TMS# 424-05-00-030), JAMES ISLAND, CHARLESTON COUNTY, TO THE CITY OF CHARLESTON, SHOWN WITHIN THE AREA ANNEXED UPON A MAP ATTACHED HERETO AND MAKE IT PART OF DISTRICT 11. THE PROPERTY IS OWNED BY JOHN CLAIR AND ELLEN S CLAIR.

BE IT ORDAINED BY THE MAYOR AND THE MEMBERS OF CITY COUNCIL, IN CITY COUNCIL ASSEMBLED:

Section 1. As an incident to the adoption of this Ordinance, City Council of Charleston finds the following facts to exist:

A) Section 5-3-150, Code of Laws of South Carolina (1976) as amended, provides a method of annexing property to a city or town upon a Petition by all persons owning real estate in the area requesting annexation.

B) The City Council of Charleston has received a Petition requesting that a tract of land in Charleston County hereinafter described be annexed to and made a part of the City of Charleston, which Petition is signed by all persons owning real estate in the area requesting annexation.

C) The area comprising the said property is contiguous to the City of Charleston.

Section 2. Pursuant to Section 5-3-150, Code of Laws of South Carolina (1976) as amended, the following described property be and hereby is annexed to and made part of the City of Charleston and is annexed to and made part of present District 11 of the City of Charleston, to wit:

SAID PROPERTY to be annexed, 334 Folly Road, (0.40 acre) is identified by the Charleston County Assessors Office as TMS# 424-05-00-030, (see attached map) and includes and public rights-of-way, shown within the area annexed upon a map attached hereto and made a part hereof.

Section 3. This ordinance shall become effective upon ratification.

Ratified in City Council this \_\_\_\_\_ day of \_\_\_\_\_ in the Year of Our Lord, \_\_\_\_\_, in the \_\_\_\_\_ Year of the Independence of the United States of America.

By:

\_\_\_\_\_  
John J. Tecklenburg  
Mayor

Attest:

\_\_\_\_\_  
Vanessa Turner-Maybank  
Clerk of Council

# Annexation Profile

**Parcel Address:** 334 Folly Road

**Presented to Council:** 6/9/2020

**Status:** Received Signed Petition

**Owner Names:** John Clair and Ellen S Clair

**Year Built:** 1968

**Parcel ID:** 4240500030

**Number of Units:** 2

**Number of Persons:** 0

**Race:** Commercial

**Acreage:** 0.40

**Mailing Address:** 6230 Ranch Rd

**Current Land Use:** Commercial

Wadamalaw Island, SC 29487

**Current Zoning:** OD\_FRC

**Requested Zoning:** GB and FRO

**City Area:** James Island

**Recommended Zoning:** GB and FRO

**Subdivision:** Dogwood Park

**Appraised Value:** \$589,775.00

**Council District:** 11

**Assessed Value:** \$35,380.00

**Within UGB:** Yes

**Stormwater Fees:** To Be Calculated

<b>Police</b>	Located in existing service area - Team 3
<b>Fire</b>	Located in existing service area - Station 13
<b>Public Service</b>	
<b>Sanitation</b>	Located in existing service area. One additional stop.
<b>Storm Water</b>	Contiguous to existing service area.
<b>Streets and Sidewalks</b>	Additional State-maintained right-of-way
<b>Traffic and Transportation</b>	
<b>Signalization</b>	None
<b>Signage</b>	None
<b>Pavement Markings</b>	None
<b>Charleston Water System</b>	CWS provides water. James Island PSD provides sewer.
<b>Planning</b>	
<b>Urban Growth Line</b>	Property is a developed site within the line.
<b>City Plan (Century Five)</b>	Highway
<b>Elevation Range</b>	11-14 ft
<b>Parks</b>	Already being served.

**Notes/Comments:**

**City Plan Recommendation:**

The existing development and proposed zoning is consistent with the City Plan. Recommend annexation.



STATE OF SOUTH CAROLINA )  
 ) PETITION FOR ANNEXATION  
COUNTY OF CHARLESTON )

TO THE HONORABLE MAYOR AND CITY COUNCIL OF CHARLESTON

WHEREAS, SECTION 5-3-150 (3) Code of laws of South Carolina provides for the annexation of an area or property which is contiguous to a City by filing with the municipal governing body a petition signed by all persons owning real estate in the area requesting annexation, and

WHEREAS, the undersigned are all persons owning real estate in the area requesting annexation, and

WHEREAS, the area requesting annexation is described as follows, to wit:

SAID PROPERTY, located on James Island (approx. 0.40 acre) to be annexed is identified by the Charleston County Assessors Office as Property Identification Number: TMS# 424-05-00-030 (334 Folly Road).

NOW, THEREFORE, the undersigned petition the City Council of Charleston to annex the above described area into the municipal limits of the City of Charleston.

Dated this 27<sup>th</sup> day of  
May, 2020

FREEHOLDERS (OWNERS) SIGNED

DATE OF SIGNATURE

(Signature)

(Date)

(Print Name)

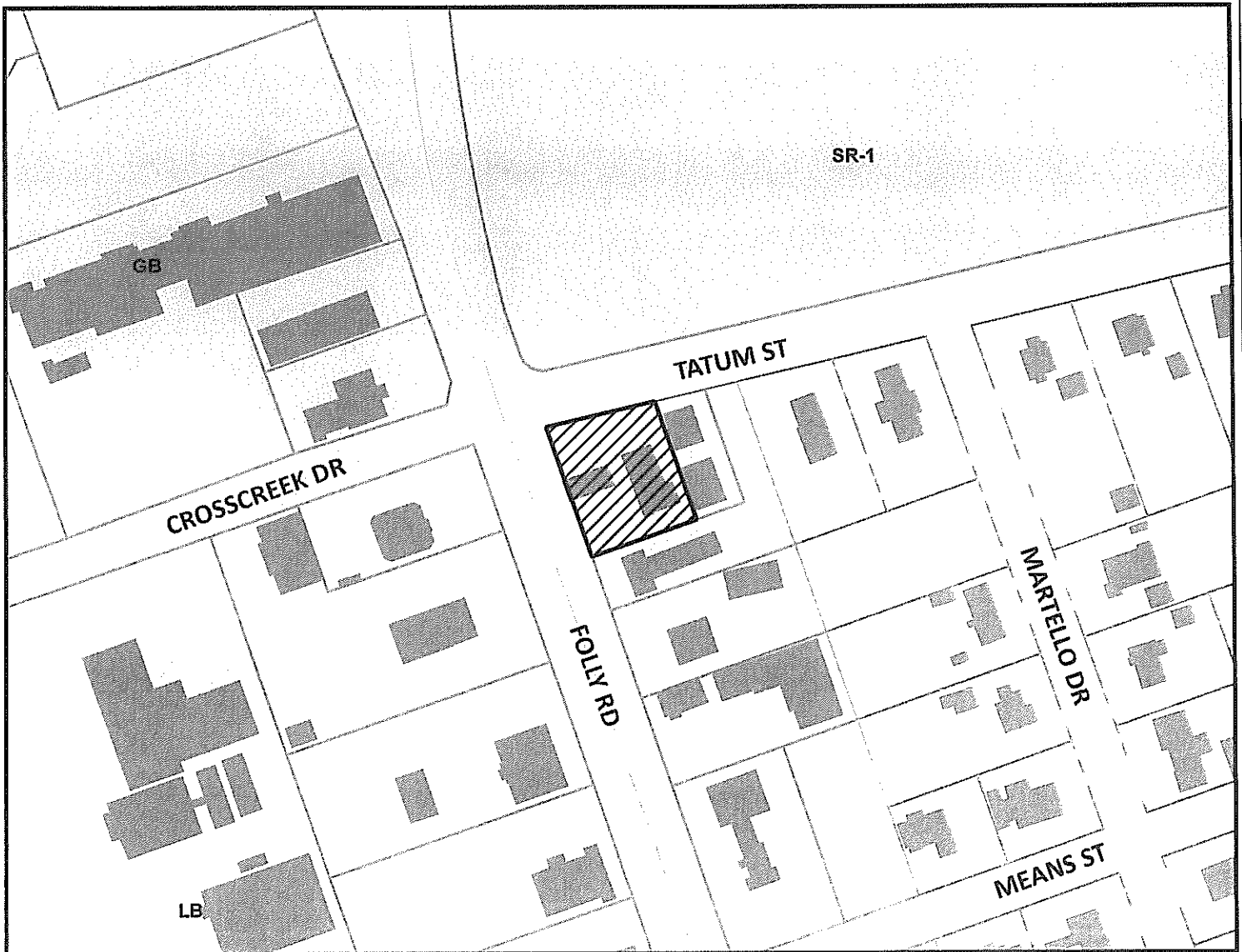
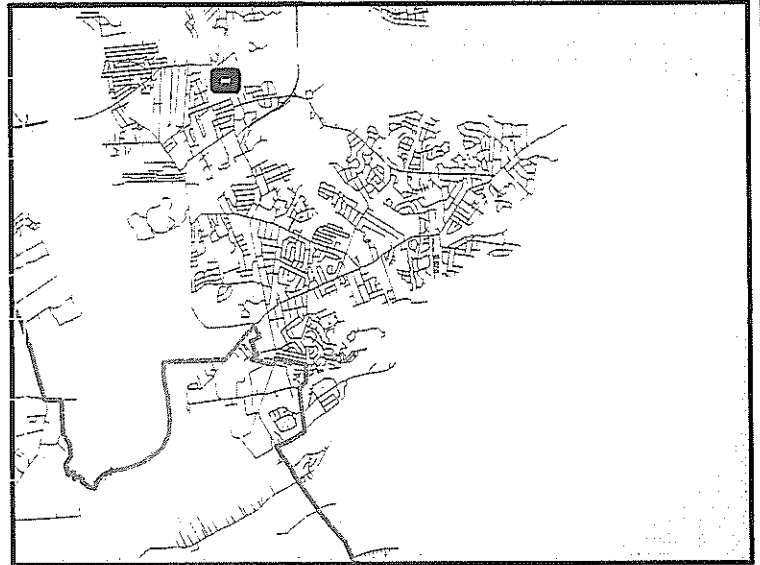
(Signature)

(Date)

(Print Name)

# Annexation Map

**Location:** James Island  
**Property Address:** 334 Folly Rd  
**Tax Map # (TMS):** 4240500030  
**Area (Acres):** approx. 0.4  
**Council District:** 11



City of Charleston  
Dept. of Planning, Preservation &  
Sustainability  
2 George St, Third Floor  
Charleston, SC 29401  
[www.charleston-sc.gov](http://www.charleston-sc.gov)

Date: 5/29/2020

## Legend

- Parcels
- Water
- Annexation Area
- Charleston City Limits



0 50 100  
Feet