Rev. Dr. Kylon Jerome Middleton - Chair
Larry Kobrovsky – Vice Chair
Joe Boykin
Henry E. Darby
Jenny Costa Honeycutt
C. Brantley Moody
Teddie E. Pryor, Sr.
Herbert R. Sass, III
Robert L. Wehrman

Kristen L. Salisbury, Clerk
(843) 958-4030
1-800-524-7832
FAX (843) 958-4035
E-mail: ksalisbury@charlestoncounty.org

CHARLESTON COUNTY COUNCIL
LONNIE HAMILTON, III PUBLIC SERVICES BUILDING
4045 BRIDGE VIEW DRIVE
CHARLESTON, SOUTH CAROLINA
29405-7464

February 5, 2025

The Honorable William S. Cogswell, Jr.
Mayor, City of Charleston
PO Box 652
Charleston, SC 29402

Mayor Cogswell:

In response to the City of Charleston's October 10, 2024, 993 & 995 Morrison Drive Letter of Intent, your follow up letter of December 5, 2024, requesting a meeting regarding this matter, and the discussions held during the requested meeting, which was held on Monday, December 9, 2024, Charleston County Council met on January 28, 2025, to discuss the disposition of this property. At that meeting, Charleston County Council voted to enter negotiations to sell 993 & 995 Morrison Drive to the City of Charleston for an amount to be negotiated between $30-35 million, based on the purchase offer received from the City of Charleston with the understanding that some portion of the proceeds of the sale will be used to fund the county's affordable and workforce housing priorities and that the final negotiations will be approved by County Council.

Negotiating the sale of this property to the City of Charleston with the understanding that this site could facilitate the development of desperately needed affordable and workforce housing in a very strategic location would help address the existing housing crisis in a meaningful way. Not only will it help with the City's existing shortfall of affordable housing stock on the peninsula, because County Council has committed to use a portion of the proceeds of this sale to address our affordable housing priorities, we will have the opportunity to focus on these same issues in other parts of the County.

We look forward to meeting with you and your staff to begin the discussions for what should be a very beneficial arrangement for our mutual constituents, and indeed, the entire region. I will have the Clerk of Council reach out to your staff to arrange a meeting.

Sincerely,

Kylon Jerome Middleton

Rev. Dr. Kylon Jerome Middleton
Chairman, Charleston County Council

cc: County Administrator Bill Tuten
County Attorney Natalie Ham
Special Housing Committee Chair Rob Wehrman
City Attorney Julia Copeland

Rev. Dr. Kylon Jerome Middleton – Chair
Larry Kobrovsky – Vice Chair
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CHARLESTON COUNTY COUNCIL
LONNIE HAMILTON, III PUBLIC SERVICES BUILDING
4045 BRIDGE VIEW DRIVE
CHARLESTON, SOUTH CAROLINA
29405-7464

March 12, 2025

The Honorable William S. Cogswell, Jr.
Mayor, City of Charleston
PO Box 652
Charleston, SC 29402

Mayor Cogswell:

I want to extend my sincere appreciation for the productive discussions we have had regarding the City of Charleston's offer to purchase the property located at 993 and 995 Morrison Drive. The collaborative spirit of our meetings has been instrumental in advancing negotiations and ensuring a positive outcome for both the County and the City.

I am pleased to inform you that at its meeting on March 11, 2025, Charleston County Council voted to accept the City of Charleston's offer to purchase the county-owned properties at 993 and 995 Morrison Drive for $30 million with the understanding that the City will incorporate an affordable housing component into the future development of the property and that the percentage of affordable housing will be negotiated prior to closing. We appreciate the City's commitment to addressing housing affordability and look forward to continuing our partnership to ensure that this project serves the needs of Charleston County's residents.

Please extend my gratitude to your team for their dedication and collaboration throughout this process. I look forward to continuing to work together to finalize negotiations and contract details for this sale.

Sincerely,

Kylon Jerome Middleton

Rev. Dr. Kylon Jerome Middleton
Chairman, Charleston County Council

cc: County Administrator Bill Tuten
County Attorney Natalie Ham
Special Housing Committee Chair Rob Wehrman
Members of Charleston County Council
City Attorney Julia Copeland
City Councilmember Mike Seekings
City Councilmember Keith Waring

City of Charleston

April 17, 2025

Chairman Kylon Middleton
Charleston County
4045 Bridge View Drive
North Charleston, SC 29405

Re: 993 & 995 Morrison Drive Letter of Intent

Chairman Middleton:

As discussed and presented to City Council, please allow this letter to outline the basic terms and conditions upon which the City of Charleston (the "Purchaser") is prepared to acquire 6.43 +/- gross acres of land, including improvements, located at 993 & 995 Morrison Drive, Charleston, SC from Charleston County ("Seller"; together with Purchaser, the "Parties").

Description of Property:	6.43 +/- acres of land and associated improvements further described below: 993 Morrison Drive (Charleston County TMS: 461-13-03-101); and 995 Morrison Drive (Charleston County TMS: 461-13-03-024); **See Exhibit A**
Purchase Price:	$30,000,000.00 (Thirty Million Dollars), subject to conditions listed herein.
Conditions on Purchase Price:	Seller sold two parcels of land identified as Charleston County TMS: 461-13-03-102 and Charleston County TMS: 461-13-03-100 to LRA Promenade, LLC on November 28, 2022 for a total sales price of Seven Million Five Hundred Thousand Dollars ($7,500,000); **See Exhibit B**. If the County does not provide permanent public access easements over the two parcels noted on **Exhibit B** for the benefit of the City on or before the date of Closing, then the Purchase Price will be reduced to Twenty-Five Million Dollars ($25,000,000). If the County provides permanent public access easements over the two parcels noted on **Exhibit B** for the benefit of the City on or before the date of Closing, then the City will pay Twenty-Five Million ($25,000,000) at Closing and the balance of Five Million Dollars ($5,000,000) no later than three (3) years from the date of Closing.

Terms of Payment: The Purchase Price, inclusive of any earnest money deposit, and subject to any conditions listed herein, shall be paid in cash at closing, plus or minus any prorations. Seller shall credit Purchaser for all accrued and unpaid real estate taxes and fees, if any, for the year of Closing.

Earnest Money: Upon execution and delivery of the Contract, as defined below, Purchaser shall deposit $20,000.00 by wire transfer, in immediately available funds, with a South Carolina law firm of Purchaser's choosing ("Escrow Agent), as earnest money to be held in escrow for the benefit of this transaction (the "First Deposit"). Upon expiration of the Review Period, as defined below, in the event Purchaser elects to proceed to Closing, Purchaser shall deposit with Escrow Agent an additional $20,000.00 by wire transfer in immediately available funds, as additional earnest money to be held in escrow (the "Second Deposit," and collectively with the First Deposit, as the "Earnest Money"). In the event Purchaser does not terminate the Contract during the Review Period, the Earnest Money shall be non-refundable (except in the event of certain stated contingencies, such as Seller default, breach of Seller representations/warranties, casualty, condemnation and title matters first arising after the Review Period) and shall be applied to the Purchase Price.

Due Diligence: Purchaser shall begin due diligence of the Property immediately after execution of the Contract by both Parties ("Effective Date"), and shall complete all due diligence for the Property within One Hundred Eighty (180) days following the Effective Date (the "Review Period"). During the Review Period, Purchaser shall conduct any analysis or testing reasonably necessary to satisfy itself as to the feasibility and adequacy of the Property, including but not limited to physical inspections of the Property, on-site environmental investigation, engineering analysis, and the availability and adequacy of utilities; provided, however, any invasive testing of the Property, including but not limited to a Phase II, shall require Seller's prior written approval, which shall not be unreasonably withheld. Purchaser shall restore the Property back to its condition prior to any testing. Purchaser also has the right to acquire an appraisal during the Review Period as part of its due diligence. If Purchaser determines that the Property is not suitable for purchase for any reason whatsoever, including the price, Purchaser shall have the right to terminate the Contract by delivering written notice thereof to Seller at any time prior to the end of the Review Period, in which case Seller shall immediately instruct the Escrow Agent to return First Deposit, to Purchaser.

Closing: Closing shall occur on the thirtieth (30th) day following the expiration of the Review Period or on a date agreed upon by both Purchaser and Seller, at which time Seller shall deliver to Purchaser a limited warranty deed conveying title to the Property subject to permitted exceptions as defined in the Contract, and also an assignment of Seller's interest, to the extent assignable, in any and all service contracts, leases, agreements, and governmental approvals relative to the Property. Seller shall pay for recordation of the deed and transfer taxes payable by ordinance or statute by Seller. Purchaser shall pay for investigation expenses, title insurance and other standard buyer closing costs. Real estate taxes, rents, utilities, service contracts and other standard prorations shall be apportioned at Closing.

Contract: Upon acceptance by Seller of this Letter of Intent ("LOI"), Purchaser shall cause the fully executed LOI to be submitted to City Council requesting approval of the terms and conditions and authorization for the Mayor to negotiate and execute a Contract incorporating said terms and conditions, with the final form and substance to be subject to Purchaser's Corporation Counsel approval. The final draft of the

Contract must be acceptable in all respects to Purchaser and Seller, and each party agrees to pursue negotiations of the Contract diligently and in good faith.

Brokerage: Both Parties agree that no brokers are involved in this transaction.

Confidentiality: The terms and conditions of this LOI are confidential and are not to be disclosed by either party to anyone outside such party other than to such party's legal counsel or as required by law. The Parties agree that any information obtained from a party which is publicly available will not be considered confidential. The Parties agree that no public press releases or statements pertaining to this LOI or the transactions contemplated hereby will be made without the prior written consent of both Parties. Notwithstanding anything provided herein to the contrary, this confidentiality section of the LOI is binding on the Parties.

Affordable Housing: As an inducement and condition to close, the Parties agree to deed restrict the Property in the following manner:

20% of the entire site for housing not to exceed 120% AMI
10% of the entire site for housing not to exceed 100% AMI
10% of the entire site for housing not to exceed 80% AMI
10% of the entire site for housing not to exceed 60% AMI

Conditions to Closing: As an inducement and condition to close, Seller will agree by Ordinance prior to the date of Closing Date to extend Seller's participation in the Cooper River Bridge TIF and Morrison Drive TIF for an additional ten (10) years. In the event this condition is not met prior the date of Closing, the Purchaser shall have the option to terminate the Contract and be refunded all Earnest Money.

Use of Property as Public Parking Lot: During the Review Period and prior to Closing, Seller agrees to lease the Property to Purchaser for $1.00 (One Dollar) for Purchaser's use as a Hop Shuttle Lot in collaboration with CARTA.

Courthouse Square: As an inducement and conditioned on Closing, Purchaser will execute and deliver (i) an amendment to that certain Intergovernmental Agreement by and between Purchaser and Seller dated June 28, 2000, relating to Courthouse Square, and (ii) a quit claim deed conveying to Seller all of Purchaser's right, title and interest in the Courthouse Square right of way.

The Parties hereby expressly acknowledge that (i) this LOI and the proposals set forth herein are non-binding on either Purchaser or Seller and are subject to the preparation and execution of a definitive Contract containing terms and conditions mutually acceptable to the Parties; (ii) any action taken by Purchaser or Seller in connection with this LOI shall not be deemed to be an agreement of such party to acquire the Property or otherwise undertake or commit to undertaking any other responsibility proposed herein; (iii) no obligations by either party shall be imputed unless and until a Contract has been signed by both Parties; (iv) the Parties have not agreed on the material terms of any agreement relating to transactions contemplated herein; and (v) either party may determine, each at its sole discretion, to terminate all negotiations with respect to the matters addressed herein at any time prior to the execution of the Contract. Seller shall not solicit or accept any offers nor engage in any negotiations for the sale of the Property other than the transaction contemplated by this LOI for a period of thirty (30) days from the full execution of this LOI.

William S. Cogswell, Jr.
Mayor, City of Charleston

Enclosures

CC: Charleston County Council Members
Julia Copeland, City of Charleston Corporation Counsel
Amy Wharton, City of Charleston Chief Financial Officer

AGREED TO AND ACCEPTED BY:

CHARLESTON COUNTY, SOUTH CAROLINA

By: _____

Name: _____

Its: _____

_____, 2025

City of Charleston

April 17, 2025

Chairman Kylon Middleton
Charleston County
4045 Bridge View Drive
North Charleston, SC 29405

Re: 993 & 995 Morrison Drive Letter of Intent

Chairman Middleton:

As discussed and presented to City Council, please allow this letter to outline the basic terms and conditions upon which the City of Charleston (the "Purchaser") is prepared to acquire 6.43 +/- gross acres of land, including improvements, located at 993 & 995 Morrison Drive, Charleston, SC from Charleston County ("Seller"; together with Purchaser, the "Parties").

Description of Property: 6.43 +/- acres of land and associated improvements further described below:
993 Morrison Drive (Charleston County TMS: 461-13-03-101); and
995 Morrison Drive (Charleston County TMS: 461-13-03-024);
See Exhibit A

Purchase Price: $30,000,000.00 (Thirty Million Dollars), subject to conditions listed herein.

Conditions on Purchase Price: Seller sold two parcels of land identified as Charleston County TMS: 461-13-03-102 and Charleston County TMS: 461-13-03-100 to LRA Promenade, LLC on November 28, 2022 for a total sales price of Seven Million Five Hundred Thousand Dollars ($7,500,000); **See Exhibit B**.

If the County does not provide permanent public access easements over the two parcels noted on **Exhibit B** for the benefit of the City on or before the date of Closing, then the Purchase Price will be reduced to Twenty-Five Million Dollars ($25,000,000).

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Deleted: If the County provides permanent public access easements over the two parcels noted on **Exhibit B** for the benefit of the City on or before the date of Closing, then the City will pay Twenty-Five Million ($25,000,000) at Closing and the balance of Five Million Dollars ($5,000,000) no later than three (3) years from the date of Closing. ¶

Deleted: real estate taxes and

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Closing: Closing shall occur on the thirtieth (30th) day following the expiration of the Review Period or on a date agreed upon by both Purchaser and Seller, at which time Seller shall deliver to Purchaser a limited warranty deed conveying title to the Property subject to permitted exceptions as defined in the Contract, and also an assignment of Seller's interest, to the extent assignable, in any and all service contracts, leases, agreements, and governmental approvals relative to the Property. Seller shall pay for recordation of the deed and transfer taxes payable by ordinance or statute by Seller. Purchaser shall pay for investigation expenses, title insurance and other standard buyer closing costs. Real estate taxes, rents, utilities, service contracts and other standard prorations shall be apportioned at Closing.

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William S. Cogswell, Jr.
Mayor, City of Charleston

Enclosures

CC: Charleston County Council Members
Julia Copeland, City of Charleston Corporation Counsel
Amy Wharton, City of Charleston Chief Financial Officer

Deleted: Conditions to Closing: As an inducement and condition to close, Seller will agree by Ordinance prior to the date of Closing Date to extend Seller's participation in the Cooper River Bridge TIF and Morrison Drive TIF for an additional ten (10) years. In the event this condition is not met prior the date of Closing, the Purchaser shall have the option to terminate the Contract and be refunded all Earnest Money.

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AGREED TO AND ACCEPTED BY:

CHARLESTON COUNTY, SOUTH CAROLINA

By: _____

Name:_____

Its: _____

_____, 2025

September 9, 2025 **PURCHASE AND SALE AGREEMENT**

THIS PURCHASE AND SALE AGREEMENT (this "***Agreement***") is made and entered into as of ~~August~~ ~~28~~, 2025 (the "***Effective Date***"), by and between **CHARLESTON COUNTY, SOUTH CAROLINA**, a body corporate and politic, and a political subdivision of the State of South Carolina (the "***Seller***"), and **CITY OF CHARLESTON**, a South Carolina municipal corporation (the "***Purchaser***").

RECITALS:

A. Seller is the owner of fee simple title to the Property (as hereinafter defined).

B. Seller desires to sell the Property to Purchaser, and Purchaser desires to purchase the Property from Seller, each upon and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of and in reliance upon the above Recitals, which are acknowledged to be accurate and are incorporated herein, the terms, covenants and conditions contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

1. PURCHASE AND SALE OF PROPERTY. Subject to the terms and conditions of this Agreement, Seller shall sell, convey and assign to Purchaser, and Purchaser shall purchase, the following described property (all of which is hereinafter collectively referred to as the "***Property***"):

(a) those certain parcels of land situated and lying in Charleston County, South Carolina, containing approximately 6.43 acres, more or less, bearing Charleston County TMS Numbers 461-13-03-101 and 461-13-03-024, as more fully described in the legal description attached hereto as **Exhibit A**; together with all and singular, easements, covenants, agreements, rights, privileges, tenements, hereditaments and appurtenances thereunto now or hereafter belonging or appertaining thereto (collectively, the "***Land***"); and

(b) all of the buildings, structures, fixtures, facilities, installations and other improvements of every kind and description now or hereafter in, on, over and under the Land, including, without limitation, any and all plumbing, air conditioning, heating, ventilating, mechanical, electrical and other utility systems, loading docks, parking lots and facilities, landscaping, roadways, sidewalks, security devices, signs and light fixtures currently owned by Seller (collectively, the "***Improvements***") (the Land and Improvements being collectively referred to as the "***Premises***"); and

(c) all furniture, furnishings, fixtures, equipment, machinery, maintenance vehicles and equipment, tools, parts, recreational equipment, carpeting, window treatments, stationery and other farm, agricultural, or office supplies, and other tangible personal property of every kind and description situated in, on, over and under the Premises or used in connection therewith, owned by Seller or in which Seller otherwise has an interest (other than a leasehold interest or furnishings and equipment used by the Seller to secure, protect, or occupy the premises) and which is not owned by tenants under the Leases (as hereinafter defined), together with all

replacements and substitutions therefor (together with the intangible personal property hereinafter identified, collectively the "***Personal Property***"), a complete and accurate itemization of which is attached to this Agreement as **Exhibit B**; and

(d) all right, title and interest of Seller in all existing surveys, blue prints, drawings, plans and specifications and other documentation for or with respect to the Property or any part thereof;

(e) all right, title and interest of Seller in, claims, choses in action, leases and other contract rights associated with the Property which Purchaser elects to assume; and

(f) all right, title and interest of Seller in and to the Service Contracts (as hereinafter defined) which Purchaser elects to assume and the other intangible personal property, together with any associated goodwill, now or hereafter owned by Seller or in which Seller otherwise has an interest and used in connection with or arising from the ownership of the Property or any part thereof, including, without limitation, claims, choses in action, lease and other contract rights, names, and, if available, telephone exchange numbers. A list of all employment, union, purchase, service and maintenance agreements, equipment leases and any other agreements, contracts, licenses and permits to which Seller is a party and affecting or pertaining in any way to the Property or any part thereof excluding agreements that encumber other property of the Seller (the "***Service Contracts***") is attached to this Agreement as **Exhibit D**.

2. PURCHASE PRICE. The purchase price (the "***Purchase Price***") to be paid by Purchaser to Seller for the Property shall be THIRTY MILLION and No/100 Dollars ($30,000,000.00), subject to any adjustments as provided herein. The Purchase Price shall be paid as follows:

(a) Earnest Money.

(i) Upon execution of this Agreement, Purchaser will deliver (by wire transfer) to Haynsworth Sinkler Boyd, P.A. (the "***Escrow Agent***"), whose address is 134 Meeting Street, Third Floor, Charleston, South Carolina 29401, Attention: James H. Suddeth III, Esq., the sum of **Five Hundred Thousand and No/100 Dollars ($500,000.00)** (referred to in this Agreement as the "***Initial Deposit***"). Escrow Agent shall deposit the Initial Deposit in a non-interest bearing account of a federally insured bank. The Initial Deposit shall be held by Escrow Agent pursuant to the terms of this Agreement.

(ii) If the transaction contemplated by this Agreement closes in accordance with the terms and conditions of this Agreement, at Closing (as defined below), the Earnest Money (as hereinafter defined) shall be applied by the Purchaser's closing attorney toward the Purchase Price. Otherwise, the Earnest Money shall be delivered by the Escrow Agent in accordance with the terms of this Agreement.

(iii) No later than 5:00 p.m., on the second (2nd) business day after the expiration of the Due Diligence Period (as hereinafter defined), Purchaser shall

deposit the additional sum of One Million and 00/100 U.S. Dollars ($1,000,000.00) (the "***Additional Deposit***") into the escrow account of the Escrow Agent. The failure of Purchaser to make the Additional Deposit in accordance with the foregoing shall constitute Purchaser's election to terminate this Agreement, in which event the Initial Deposit shall be immediately returned to Purchaser without any right of Seller to object to, delay or impede such refund and neither party shall thereafter have any further rights, obligations or liability hereunder. As used herein, the term "***Earnest Money***" shall mean and include the Initial Deposit, and, to the extent the same is tendered by Purchaser pursuant hereto, the Additional Deposit.

(b) Cash at Closing. At Closing, Purchaser shall pay to Seller the balance of the Purchase Price, credited for the Earnest Money, plus or minus the adjustments and prorations required by this Agreement (such amount, as adjusted, being referred to herein as the "***Cash Balance***").

3. OPERATION OF PROPERTY THROUGH CLOSING.

From date this Agreement is executed and delivered by both Purchaser and Seller (the "***Effective Date***") through and including the first to occur of (i) the termination of this Agreement or (ii) the Closing Date:

(a) Except as otherwise provided in this Section 3, Seller shall manage and operate the Property in accordance with sound and prudent business practices and keep the Property in its present condition and repair, ordinary wear and tear excepted.

(b) Without the prior written consent of Purchaser, Seller shall not sell, mortgage, pledge, lease, hypothecate or otherwise transfer or dispose of all or any part of the Property or any interest therein, nor shall Seller initiate, consent to, approve or otherwise take any action with respect to zoning or any other governmental rules or regulations presently applicable to all or any part of the Property, other than such action as is necessary to maintain the Property in compliance with such rules and regulations applicable to all or any part of the Property.

(c) Without the prior written consent of Purchaser, Seller shall not terminate, modify, extend, amend or renew any agreements affecting the Property, or enter into any new agreements affecting the Property, including without limitation any agreements relating to the sale or harvesting of timber. Any new agreements affecting the Property shall be reviewed and approved in advance by Purchaser.

(d) Seller shall comply with all federal, state, municipal and other governmental laws, ordinances, requirements, rules, regulations, notices and orders, and all agreements, covenants, conditions, easements and restrictions relating to the Property, including, without limitation, any such requirements, rules, regulations, notices or orders issued or imposed after the Effective Date.

(e) Seller shall promptly give written notice to Purchaser of the occurrence of any event which affects the truth or accuracy of any representations or warranties made or to be made by Seller under or pursuant to this Agreement.

(f) Purchaser shall have such access to the Property as is reasonably necessary for it to inspect the same to assure that Seller is complying with the requirements of this Section 3.

4. STATUS OF TITLE TO PROPERTY.

(a) State of Title. At Closing, Seller shall convey to Purchaser good, marketable and insurable fee simple title in and to the Property by a recordable limited warranty deed, subject only to: (i) those covenants, conditions and restrictions and other exceptions to title of record (subject to Section 4(d) below); and (ii) the lien of general real estate taxes for the current year and subsequent years which are not yet due or payable (the above enumerated exceptions collectively referred to as the "***Permitted Exceptions***"; provided, that Seller shall pay off and obtain releases on all existing mortgages and other lien indebtedness that were created or consented to by Seller (or arose from the performance of work or delivery of materials that was authorized or consented to by Seller) (collectively, "***Monetary Liens***"), at or prior to Closing, and in no event shall such matters be deemed Permitted Exceptions).

(b) Preliminary Evidence of Title. Within three (3) business days after the Effective Date, Seller shall furnish to Purchaser a copy of its existing owner's title insurance policy and any available mortgagee policies (together, the "***Current Title Policies***") and any surveys of the Property in Seller's possession or control, if any. On or before fifteen (15) days prior to the expiration of the Due Diligence Period (as hereinafter defined), Purchaser shall obtain a commitment (the "***Title Commitment***") for an ALTA Owner's Title Insurance Policy ("***Owner's Title Insurance Policy***") proposing to insure Purchaser and committing to insure the Property in the amount of the Purchase Price.

(c) At any time during the Due Diligence Period, Purchaser, at Purchaser's sole cost and expense, shall be entitled, if Purchaser so elects, to cause an accurate and complete survey of the Property to be made (the "***Survey***"). The Survey shall be sufficient in form and content so that the title company will delete the standard survey exception and include any matters the Purchaser desires to have shown.

(d) Title Defects. If the Title Commitment or Survey obtained by Purchaser discloses exceptions to title which Purchaser finds to be objectionable, Purchaser shall so notify Seller as soon as is practicable, but in any event thirty (30) days prior to the expiration of the Due Diligence Period (the "***Title Objection Date***"), and Seller shall have fifteen (15) days from the date of such notice to have each such unpermitted exception to title removed or to correct each such other matter, or to let Purchaser know that Seller will not correct the title objection(s). If Seller elects not to correct the title objection(s), Purchaser may elect, as its sole and exclusive remedy in such event, to either (i) terminate this Agreement and immediately receive from Escrow Agent the Earnest Money, whereupon this Agreement shall be null and void and of no further force or effect, or (ii) elect to accept title to the Property subject to such objectionable exception (with a right to deduct from the Purchase Price any liens or encumbrances of a definite or ascertainable amount) whereupon such exception(s) which had been objected to shall be deemed approved and shall constitute Permitted Exceptions; provided, however that, notwithstanding the foregoing, Seller shall remove all Monetary Liens. If Purchaser fails to make either such election, Purchaser shall be deemed to have elected option (ii).

5. CLOSING.

(a) Closing Date. Unless otherwise agreed by the parties in writing, the closing of the transaction contemplated by this Agreement (the "***Closing***") shall occur at the offices of Purchaser's counsel on or before the date that is thirty (30) days after the end of the Due Diligence Period (the "***Closing Date***"). The Closing shall be subject to the satisfaction of the conditions precedent set forth in Section 9 herein, unless waived by the party in whose favor the condition runs. If the date of Closing above provided for falls on a Saturday, Sunday or legal holiday, the Closing Date shall be the next business day.

(b) Closing Documents.

(i) Seller. Prior to the Closing Date, Seller shall deliver or cause to be delivered to Purchaser a copy of each of the following (the original of each, in form and substance acceptable to Purchaser and Purchaser's counsel, to be executed (if necessary) and delivered at Closing):

(1) A limited warranty deed, subject only to the Permitted Exceptions, sufficient to transfer and convey to Purchaser good, marketable and insurable fee simple title to the Property as required by this Agreement, in a form agreed upon by Purchaser's counsel (the "***Deed***"), which shall require the property to contain a certain amount, above a nominal number, of residential units for housing and which shall be subject to the affordability parameters set forth herein below;

50% of the total residential units for housing on the entire site shall be subject to affordability parameters as further defined:
20% of the entire site for housing not to exceed 120% AMI
10% of the entire site for housing not to exceed 100% AMI
10% of the entire site for housing not to exceed 80% AMI
10% of the entire site for housing not to exceed 60% AMI

(2) A bill of sale and general assignment sufficient to transfer to Purchaser title to the Personal Property in a form acceptable to Purchaser and containing appropriate warranties of title and condition as required by this Agreement (the "***Bill of Sale and General Assignment***");

(3) A settlement statement and any and all affidavits, certificates or other documents required by the title insurer in order to cause it to issue the Owner's Title Insurance Policy in the form and condition required by this Agreement;

(4) A certified copy of the resolutions adopted by the Seller and such other evidence of Seller's power and authority to enter into this Agreement and to convey the Property as Purchaser reasonably requests;

(5) If applicable, Seller's affidavit stating, under penalty of perjury, Seller's U.S. taxpayer identification number and that Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code;

(6) If applicable, Nonresident Seller Withholding affidavit pursuant to the requirements of Section 12-8-580 of the Code of Laws of South Carolina;

(7) Pursuant to Section 12-54-124 of the Code of Laws of South Carolina, a certificate of tax compliance for Seller issued by the South Carolina Department of Revenue no more than thirty (30) days prior to the date of Closing, or in lieu thereof, a Transferor Tax Lien Affidavit; and

(8) All other documents reasonably required by Purchaser or the title insurer in order to perfect the conveyance, transfer and assignment of the Property to Purchaser and issue the Owner's Title Insurance Policy.

(ii) Purchaser. Purchaser shall deliver or cause to be delivered to Seller at Closing: (a) the Cash Balance; (b) a settlement statement; and (c) any and all affidavits, certificates or other documents required by the title insurer in order to cause it to issue the Owner's Title Insurance Policy in the form and condition required by this Agreement.

(c) Closing Prorations and Adjustments. In addition to prorations and other adjustments that may otherwise be provided for in this Agreement, the following items are to be prorated or adjusted, as the case may require, as of the Closing Date:

(i) real estate taxes and assessments (initially prorated on the basis of 100% of the most recent ascertainable bill, but subject to reproration upon issuance of the actual bill therefor to effectuate the actual proration);

(ii) assignable license and permit fees;

(iii) rents and other income with respect to the Property, if any; and

(iv) other expenses of operation and similar items.

Except with respect to general real estate taxes (which shall be reprorated upon the issuance of the actual bills, if necessary), any proration which must be estimated at Closing shall be reprorated and finally adjusted as soon as practicable after the Closing Date with any refunds payable to Seller or Purchaser to be made as soon as practicable; otherwise all prorations shall be final. Amounts on deposit with utility companies shall not be prorated; provided, however, that promptly following the Closing, Purchaser shall substitute its own deposit for any amounts on deposit with utility companies and shall refund to Seller any portion of Seller's deposit which is refunded by the utility company.

(d) Closing Costs. Seller shall pay all transfer taxes, documentary stamps pursuant to S.C. Code Section 12-24-10, intangible taxes and similar taxes or charges (if applicable), and all other costs customarily paid by Seller. Purchaser shall pay the nominal cost to record the deed, the premium for the Owner's Title Insurance Policy, all costs of Purchaser's due diligence activities including surveying, engineering, environmental reports, and all other costs customarily paid by Purchaser. Seller and Purchaser shall each be responsible for the fees and costs of their respective attorneys.

(e) Possession. Upon Closing, Seller shall deliver to Purchaser full, complete and exclusive possession of the Property.

6. CASUALTY LOSS AND CONDEMNATION. Until the purchase of the Property has been consummated by Purchaser, all risk of loss, damage, or destruction respecting the Property (whether by fire, flood, tornado, or other casualty, or by the exercise of the power of eminent domain, or otherwise) shall be borne by Seller. In the event of any material damage to or destruction of the Property or any material portion thereof or in the event of any taking or threat of taking by condemnation (or any conveyance in lieu thereof) of the Property or any material portion thereof by anyone having the power of eminent domain, Purchaser shall, by written notice to Seller delivered within twenty (20) days of receiving written notice from Seller of such event, elect to: (i) terminate this Agreement and all of Purchaser's obligations under this Agreement and this Agreement shall terminate and no party shall have any right, duty or obligation under this Agreement, except for any rights or obligations that expressly survive termination of this Agreement; or (ii) proceed with the purchase of the Property. If Purchaser does not elect to terminate this Agreement pursuant to clause (i) of this Section 6, then Seller shall on the Closing Date pay to Purchaser all insurance proceeds then received by Seller and all condemnation awards and compensation then received by Seller with respect to the Property. In addition, Seller shall transfer and assign to Purchaser, in a form reasonably satisfactory to Purchaser, all rights and claims of Seller with respect to payment for damages and compensation on account of such damage, destruction or taking with respect to the Property. For the avoidance of doubt, in the event that Purchaser terminates this Agreement pursuant to this Section 6, the Earnest Money shall be returned to Purchaser.

7. REPRESENTATIONS AND WARRANTIES.

(a) Seller represents and warrants to Purchaser that the following are true, complete and correct as of the date of this Agreement:

(i) Seller is the sole owner of, and has good, insurable and marketable fee simple title to, the Property free and clear of all liens, encumbrances, claims, demands, easements, rights or interests of others, covenants, conditions, restrictions and encroachments of any kind or nature other than Permitted Exceptions. Seller has not entered into any agreement to lease, sell, mortgage or otherwise encumber or dispose of its interest in the Property or any part thereof, except for this Agreement. Except as disclosed on **Exhibit C** and **Exhibit D**, there are no leases, permits, contracts, or other agreements, written or oral, granting to any party the right to the use or occupancy of the Property, or any part thereof, and other than

Seller, there are no parties in possession of or entitled to possession of the Property, or any part thereof.

(ii) Seller is selling the Property in its present condition.

(iii) There is no violation of any applicable rules, regulations, laws, ordinances and codes of governmental authorities having jurisdiction over the Property.

(iv) There is no action, proceeding or investigation pending or to Seller's actual knowledge, threatened against Seller or the Property before any court or governmental department, commission, board, agency or instrumentality; and Seller does not know of any basis for any such action, proceeding or investigation.

(v) Seller has no knowledge of, and has not received notice of any violation of any covenant or restriction applicable to the Property, or any part thereof, from any governmental authority notice of any violation of any zoning, building, fire or health code or any other statute, ordinance rule or regulation applicable (or alleged to be applicable) to the Property, or any part thereof.

(vi) Seller is duly organized, validly existing and qualified and empowered to conduct its business and has full power and authority to enter into and fully perform and comply with the terms of this Agreement. Neither the execution and delivery of this Agreement nor its performance by Seller, will conflict with or result in the breach of any contract, agreement, law, rule or regulation to which Seller is a party or by which Seller is bound. This Agreement is valid and enforceable against Seller in accordance with its terms and each instrument to be executed by Seller pursuant to this Agreement or in connection herewith will, when executed and delivered, be valid and enforceable against Seller in accordance with its terms.

(vii) Seller has not received notice of any civil, criminal or administrative suit, claim, hearing, violation, investigation, proceeding or demand against Seller or the Property relating in any way to a Release (as defined below), the use of Hazardous Materials, or compliance with Environmental Laws. For purposes of this Agreement, the phrase "***Environmental Laws***" shall mean any federal, state or local law, statute, ordinance, order, decree, rule or regulation and any common laws regarding health, safety, radioactive materials, or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq. ("***CERCLA***"); the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq. ("***RCRA***"); the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq. ("***TSCA***"), the Occupational, Safety and Health Act, 29 U.S.C. § 651, et seq. ("***OSHA***"), the Clean Air Act, 42 U.S.C. § 7401, et seq. ("***CAA***"), the Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq. ("***FWPCA***"), the Safe Drinking Water Act, 42 U.S.C. § 3001, et seq. ("***SDWA***"), the Hazardous Materials Transportation Act, 49 U.S.C. § 1802, et seq. ("***HMTA***") and the Emergency Planning and Community

Right to Know Act, 42 U.S.C. § 11001, et seq. ("***EPCRA***"), the Endangered Species Act of 1973, 16 U.S.C. § 1531 et seq. ("***ESA***"), the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq. ("***FIFRA***") and other comparable federal, state or local laws, each as amended, and all rules, regulations and guidance documents promulgated pursuant thereto or published thereunder. The phrase "***Hazardous Materials***" shall mean each and every element, compound, chemical mixture, contaminant, pollutant, material, waste or other substance which is defined, determined or identified as hazardous or toxic under Environmental Laws (as hereinafter defined) or the Release of which is regulated under Environmental Laws, excluding normal and customary cleaning solvents. Without limiting the generality of the foregoing, the term "Hazardous Materials" will include: crude oil, used oil, petroleum and petroleum products or any fraction thereof; radioactive materials including source, by-product or special nuclear materials; asbestos or asbestos-containing materials (whether or not friable); lead paint; polychlorinated biphenyls, urea-formaldehyde in any of its forms; radon; mold; and any substance defined as "hazardous substances," "extremely hazardous substances," "hazardous waste," "hazardous materials," "chemical substance or mixture," "solid waste," "hazardous chemicals," "toxic substances," "hazardous air pollutants," "pollutants," contaminants," or "toxic chemicals" under any of the CAA, CWA, RCRA, CERCLA, EPCRA, SDWA, TSCA or OSHA. The term "***Release***" shall mean the discharge, disposal, deposit, injection, dumping, spilling, leaking, leaching, placing, presence, pumping, pouring, emitting, emptying, escaping, or other release of any Hazardous Material.

(viii) To the best of Seller's knowledge, (1) the Property does not violate any Environmental Laws, (2) there are no Hazardous Materials on, in or under the Property, and (3) there has been no Release at the Property. To the best of Seller's knowledge, except as disclosed in the Seller Information, there are no other under or above ground storage tanks on, in or under the Property. The Property has never been used by Seller to generate, treat, store, dispose, transport or in any manner deal with Hazardous Materials.

(ix) All financial information concerning the operation of the Property heretofore or hereafter furnished by Seller to Purchaser is and shall be true, complete and correct as of the date therein specified and shall present fairly the financial condition of the Property in a manner consistent with such presentation for prior years.

(x) All bills and invoices for labor and material of any kind relating to the Property have been or prior to the Closing will be paid in full, and there are no mechanic's liens or claims outstanding or available to any party in connection with the Property.

(xi) There are no claims, disputes, actions, suits, investigations, judgments, orders or any proceedings pending, or threatened, relating to any of the Property, including any condemnation proceedings or property boundary disputes.

(xii) To the best knowledge of the Seller, there are no unpaid assessments, fees or taxes which are presently due and owing relating to the Property.

(xiii) The Service Contracts comprise every contract, agreement, relationship and commitment, oral or written, which affects the Property (excepting the Leases), to which Seller is a party, or by which it is bound, including without limitation, all agreements relating to employment and collective bargaining, the purchase of materials, supplies, equipment, machinery parts, products, or services, pension, profit-sharing, deferred compensation, bonuses, or incentives, and the lease of any personal property. Seller is not in default, nor is Seller aware that any other party is in default under the terms of any Service Contract. Except as otherwise noted on **Exhibit D**, each Service Contract is cancelable without payment of any premium or penalty upon not more than thirty (30) days' notice. If any Service Contract is not terminable and Purchaser nonetheless directs Seller to cancel the same, Purchaser agrees to pay any penalties associated with such termination.

(xiv) **Exhibit C** describes all existing Leases.

(xvi) To the best of Seller's knowledge, the Property is presently served by all necessary utilities, including without limitation, gas, electricity, telephone, water and sanitary and storm sewers (collectively, "***Utilities***"). To the best of Seller's knowledge, (1) no fact or condition exists which would result in the termination, discontinuation or interruption of any Utilities, or of cable television, and (2) all connection, hook-up, recapture and tap fees have been paid.

(b) By closing on the transaction, Seller shall be deemed to have reaffirmed to Purchaser that, as of the Closing, each of the warranties and representations set forth in Section 7(a) above shall be true, complete and correct.

(c) The foregoing warranties and representations of Seller shall survive the execution and delivery of this Agreement, the Closing and delivery of all documents and any and all performances in accordance with this Agreement. Such warranties and representations shall be valid for a period of one year from the execution of this Agreement.

(d) If any of Seller's representations, covenants and warranties contained in this Agreement are not true, correct and complete in all material respects upon Closing, Purchaser may, at its option, either terminate this Agreement (in which case Purchaser shall be relieved of any obligations hereunder and the Earnest Money and all interest earned thereon shall be returned to Purchaser), or proceed to Closing without affecting its rights and remedies against Seller after Closing.

(e) Purchaser represents and warrants to Seller that Purchaser is duly organized, validly existing and qualified and empowered to conduct its business, and has full power and authority to enter into and fully perform and comply with the terms of this Agreement. Neither the execution and delivery of this Agreement nor its performance by Purchaser will conflict with

or result in the breach of any contract, agreement, law, rule or regulation to which Purchaser is a party or by which Purchaser is bound. This Agreement is valid and enforceable against Purchaser in accordance with its terms and each instrument to be executed by Purchaser pursuant to this Agreement or in connection herewith will, when executed and delivered, be valid and enforceable against Purchaser in accordance with its terms.

8. SELLER INFORMATION. Within three (3) business days after the Effective Date, Seller shall furnish or make available to Purchaser the following items, if any, that Seller then has in its possession (collectively, the "***Seller Information***"):

(a) The most recent surveys for the Property;

(b) Copies of the Current Title Policies and most recent commitment for the Property;

(c) Copies of any conservation easements, leases or other agreements affecting the Property;

(d) Evidence of the zoning classification of the Property;

(e) All third party engineering and environmental reports and assessments (both draft and final), action and/or work plans, contracts for remediation, soil and groundwater sampling reports and results, if any;

(f) All appraisals in Seller's possession or control;

(g) A list and copies of all permits, if any;

(h) Copies of existing insurance policies, a summary of all claims submitted in the prior three (3) years and any pending claims relating to the Property or evidence of self insurance;

(i) A list of pending litigation affecting the Seller and the Property, if any;

(j) Any and all other contracts, agreements, documentation or evidence relating to the ownership, use, value, income, expense, operation, leasing, construction, maintenance and repair of the Property;

(k) Financial books and records for the Property;

(l) All termite, radon and mold tests or studies;

(m) A copy of all plans and specifications in the possession or control of Seller relating to the improvements on the Property;

(n) A list of all personal property; and

(o) A list of all permits, warranties and unexpired guaranties, if any.

9. PURCHASER'S CONDITIONS PRECEDENT. At the option of Purchaser, the obligations of Purchaser under this Agreement are contingent and conditional upon any one or more of the following, the failure of any of which shall, at the request of Purchaser and after the return to Purchaser of the Earnest Money, render this Agreement null and void:

(a) During the period commencing on the Effective Date and continuing until 11:59 p.m. on the date that is one hundred twenty (120) days thereafter (the "***Due Diligence Period***"), Purchaser shall have the right, at its sole cost, to verify, inspect, investigate and review, in the Purchaser's sole discretion: (i) documentation of any covenants, conditions and restrictions and other exceptions of title of record, and including, without limitation, documentation regarding any and all leases, cross-easements and other agreements affecting the Property (including terms, conditions and assignability of the foregoing), (ii) physical inspection of the Property including engineering investigation, (iii) valuation appraisal of the Property, (iv) environmental condition of the Property (including conducting a Phase I Environmental Assessment (the "***Phase I***"), and (v) any and all other documentation or evidence relating to the ownership, use, zoning, value, construction, income, expense, operation, leasing, options and maintenance and repair of the Property. In the event the Purchaser obtains a Phase I and the Phase I recommends that a Phase II be conducted, Purchaser may perform or cause to be performed a Phase II or other invasive environmental testing (collectively, a "***Phase II***") only with the prior written consent of Seller. In addition, during the Due Diligence Period, Purchaser shall have the right, at its sole cost, to have a licensed termite exterminator conduct an inspection of the Property to determine whether there is a visible, active termite infestation. If the end of the Due Diligence Period falls on a Saturday, Sunday or legal holiday, the end of the Due Diligence Period shall be automatically extended to the next business day. If for any reason whatsoever (or no reason) Purchaser determines in its sole and absolute discretion that the Property is unsuitable for its purposes and delivers written notice to Seller of such decision within said Due Diligence Period, the Earnest Money shall be returned to Purchaser, at which time this Agreement shall be null and void and neither party shall have any rights or obligations under this Agreement. Purchaser's failure to terminate this Agreement within said Due Diligence Period, shall be deemed a waiver by Purchaser of the condition contained in this Section 9(a). From the Effective Date through Closing, Purchaser and its agents, engineers, surveyors, appraisers, auditors and other representatives shall have the right to enter upon the Property to inspect, examine, survey, obtain engineering inspections, perform environmental testing and studies, appraise, and otherwise do that which, in the opinion of Purchaser, is necessary to determine the boundaries, acreage and condition of the Property and to determine the suitability of the Property for the uses intended by Purchaser (including, without limitation, inspect, review and copy any and all documents in the possession or control of Seller, its agents, contractors or employees, and which pertain to the construction, ownership, use, occupancy or operation of the Property or any part thereof). Seller shall cooperate with Purchaser in connection with Purchaser's due diligence activities, and during ordinary business hours, after reasonable advance notice to Seller, Seller shall make the Property and all of Seller's books, files and records relating in any way to the Property available for examination by Purchaser and Purchaser's agents and representatives, who shall have the right, all at Purchaser's expense, to make copies of such books, files and records and to extract therefrom such information as they may desire.

(b) As of Closing, Purchaser shall have determined, in its sole discretion, whether the Property is eligible for a Voluntary Cleanup Contract with the South Carolina Department of Environmental Services.

(c) Each and every representation and warranty of Seller is true, correct and complete in all material respects as of Closing.

(d) As of Closing, Seller shall have fully performed and satisfied each and every obligation, term and condition to be performed and satisfied by Seller under this Agreement.

10. SUBDIVISION/ RECONFIGURATION. Purchaser shall have the right, but not the obligation, to engage a licensed surveyor or civil engineer to prepare a subdivision and/or reconfiguration plat ("***Subdivision Plat***") for the subdivision and/or reconfiguration of the Land. Purchaser shall obtain all required governmental approvals for the subdivision and/or reconfiguration and recording of the Subdivision Plat prior to expiration of the Inspection Period, however the Subdivision Plat shall not be recorded prior to Closing without Seller's prior written consent. The Subdivision Plat shall be in form and content reasonably acceptable to Seller.

11. BROKERAGE. Each party represents and warrants to the other party that it has dealt with no broker or finder in connection with this transaction.

12. DEFAULTS AND REMEDIES.

(a) Default by Purchaser. If the sale and purchase of the Property as contemplated by this Agreement is not consummated because of Purchaser's default or failure or refusal to perform hereunder, Seller's sole remedy shall be to terminate this Agreement by written notice to Purchaser and to receive and retain the Earnest Money as agreed upon liquidated damages for such default, and upon Seller's receipt of such Earnest Money, this Agreement shall become null and void, and the Parties hereto shall thereupon be released of all further liability hereunder, except for any rights or obligations that expressly survive termination of this Agreement. It is hereby agreed that, without resale, Seller's damages will be difficult to ascertain and that the Earnest Money constitutes a reasonable liquidation thereof and is intended not as a penalty, but as full liquidated damages, in the event the sale and purchase of the Property is not consummated because of Purchaser's default. Seller agrees that in the event the sale and purchase of the Property is not consummated due to Purchaser's default hereunder, Seller shall not initiate any action for specific performance or any proceeding to recover damages from Purchaser and Purchaser agrees that in the event of its default, it shall not initiate any proceeding challenging Seller's right to receive the Earnest Money as liquidated damages.

(b) Default by Seller. If the sale and purchase of the Property contemplated by this Agreement is not consummated on or before the date required by the terms of this Agreement on account of Seller's default hereunder or if Seller otherwise defaults in the performance of any of its obligations hereunder, and Seller fails to cure such default within ten business (10) days after receipt of written notice of default from Purchaser, Purchaser may, at Purchaser's sole election and as Purchaser's sole and exclusive remedies, either (i) obtain specific performance of Seller's obligation to convey the Property to Purchaser; or (ii) terminate this Agreement by written notice delivered to Seller, in which case Seller shall promptly refund to Purchaser the full amount of the Earnest Money.

13. MISCELLANEOUS.

(a) Entry upon Property. Between the Effective Date and the Closing Date, Purchaser and its agents or representatives shall have the right to enter upon the Property upon reasonable notice and during normal business hours for the purpose of examining, inspecting and testing the Property. Purchaser shall promptly restore the Property to the condition in which it existed on the Effective Date hereof after the completion of all such tests or surveys. Notwithstanding the foregoing, Purchaser shall have no liability to Seller or to any other person or entity by reason of any claim, demand, damage, loss, action, liability, cause of action or judgment, including, without limitation, any claim, for diminution in value of the Property or for environmental remediation or clean-up costs, arising out of or in connection with the fact of having discovered and/or reported (as may be required by law) any adverse physical condition, title condition or other defect with respect to the Property.

(b) Reserved.

(c) Entire Agreement. This Agreement constitutes the entire agreement between Seller and Purchaser with respect to the Property and shall not be modified or amended except in a written document signed by Seller and Purchaser. Any prior agreement or understanding between Seller and Purchaser concerning the Property is hereby rendered null and void.

(d) Time is of the Essence. Time is of the essence of this Agreement. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which the period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period shall be deemed to run until the end of the next day which is not a Saturday, Sunday or legal holiday.

(e) Headings. The headings of this Agreement are for convenience of reference only and do not in any way limit or amplify the terms and provisions hereof.

(f) Further Assurances. As requested by Purchaser, Seller will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things as may be necessary and reasonably required in order to further and more fully vest in Purchaser, all rights, interests, powers or benefits intended to be conferred upon it by this Agreement.

(g) Construction. The parties acknowledge that each party and its counsel have reviewed and revised this Agreement, and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

(h) Intentionally deleted.

(i) Notices. All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing and delivered personally or by certified mail, return receipt requested, postage prepaid, by facsimile or other electronic transmission, or by overnight courier (such as Federal Express), addressed as follows:

If to Seller:

Charleston County, South Carolina
Attn: County Administrator
4045 Bridge View Drive
North Charleston, South Carolina 29405
Fax: 843.958.4004

With a copy to:

Charleston County Attorney's Office
Attn: Natalie A. Ham
4045 Bridge View Drive
North Charleston, South Carolina 29405
Fax: 843.958.4017
Email: nham@charlestoncounty.org

If to Purchaser:

City of Charleston
Attn: Julia P. Copeland
50 Broad Street
Charleston, South Carolina 29401
Phone: 843.724.3730
Email: copelandj@charleston-sc.gov

With a copy to:

Haynsworth Sinkler Boyd, P.A.
Attn: James H. Suddeth III, Esq.
134 Meeting Street, Third Floor
Charleston, South Carolina 29401
Fax: 843.720.4530
Email: jsuddeth@hsblawfirm.com

(j) Governing Law. The laws of South Carolina shall govern this Agreement. All litigation arising under this Agreement shall be litigated only in a nonjury hearing in the Court of Common Pleas, Ninth Judicial Circuit, Charleston County, South Carolina

(k) Counterparts. This Agreement may be executed in any number of identical counterparts, any or all of which may contain the signatures of fewer than all of the parties but all of which shall be taken together as a single instrument.

(l) Electronic or Facsimile Transmission. Counterparts to this Agreement may be executed and delivered by electronic or facsimile transmission, and for purposes of this

Agreement, signatures transmitted by electronic or facsimile transmission (including, without limitation, DocuSign) shall be deemed to be original signatures.

(m) Survival. All representations, warranties, covenants, agreements and obligations of a party hereunder may be relied upon by the other party, and all such indemnities, representations, warranties, covenants, agreements and obligations shall survive the Closing and shall not be deemed to merge with or into the documents delivered at the Closing. Such representations, warranties, covenants, agreements and obligations shall be valid for a period of one year from the execution of this Agreement.

(n) Non-Solicitation. To induce Purchaser to enter into this Agreement and conduct the Due Diligence review, neither Seller nor its representatives will directly or indirectly negotiate or execute any agreement with, solicit inquiries from, or disclose information to, others in connection with any transaction that is inconsistent with the transaction described in this Agreement.

(o) Confidentiality. Except as otherwise contemplated herein or as may be required by any law, rule, or regulation, neither party shall disclose the provisions of this Agreement to any third party, and it shall be treated by all parties as confidential unless otherwise agreed to in writing. Moreover, Purchaser and Seller shall maintain any and all information related to this Agreement and the transactions contemplated under this Agreement (the "***Confidential Information***") in strict confidence and not disclose the Confidential Information to any party without prior written consent of the other, except that Purchaser may disclose the Confidential Information to its directors, officers, council members, employees, lenders, prospective lenders, investors, potential investors, contractors, consultants, agents, professional firms performing inspections and report reviews, brokers, affiliates and prospective lenders (collectively, hereinafter referred to as "***Necessary Representatives***"), who need such information for the purpose of proceeding with the transaction, provided that they are directed to keep the Confidential Information confidential. Notwithstanding the foregoing, the term "Confidential Information" does not include information which: (i) was in, or subsequently enters, the public domain prior to its dissemination by the receiving party; (ii) was independently developed by receiving party without the use of or reference to the Confidential Information; (iii) was already known to the receiving party at the time of receipt, provided that receiving party had no reasonable basis (after due inquiry) for concluding that the source of such information was bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, any other party with respect to such information; or (iii) is or becomes available to the receiving party from another source; provided such information is not known by the receiving party to be subject to a duty of confidentiality in favor of the disclosing party. The parties expressly acknowledge, covenant and agree that neither party shall make any press release or other public disclosure concerning the transaction contemplated by this Agreement without written consent of the other party. The party requesting the press release shall first disclose the intended press release information to the other party when requesting permission to publish. This subsection shall survive cancellation or termination of this Agreement for twelve (12) months.

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[Signatures on Following Pages]

The parties have executed this Agreement as of the Effective Date.

SELLER:

CHARLESTON COUNTY, SOUTH CAROLINA,
a body corporate and politic, and a political subdivision
of the State of South Carolina

By: _____
Name: Kylon Jerome Middleton
Its: Chairman

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

PURCHASER:

CITY OF CHARLESTON,
a South Carolina municipal corporation

By: _____ 9/9/25
William S. Cogswell, Jr.
Its: Mayor

EXHIBIT D
Service Contracts

Property is not encumbered with any service contracts, agreements, contracts, licenses or permits.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "***Agreement***") is made and entered into as of August 28, 2025 (the "***Effective Date***"), by and between **CHARLESTON COUNTY, SOUTH CAROLINA**, a body corporate and politic, and a political subdivision of the State of South Carolina (the "***Seller***"), and **CITY OF CHARLESTON**, a South Carolina municipal corporation (the "***Purchaser***").

RECITALS:

A. Seller is the owner of fee simple title to the Property (as hereinafter defined).

B. Seller desires to sell the Property to Purchaser, and Purchaser desires to purchase the Property from Seller, each upon and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of and in reliance upon the above Recitals, which are acknowledged to be accurate and are incorporated herein, the terms, covenants and conditions contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser agree as follows:

1. PURCHASE AND SALE OF PROPERTY. Subject to the terms and conditions of this Agreement, Seller shall sell, convey and assign to Purchaser, and Purchaser shall purchase, the following described property (all of which is hereinafter collectively referred to as the "***Property***"):

(a) those certain parcels of land situated and lying in Charleston County, South Carolina, containing approximately 6.43 acres, more or less, bearing Charleston County TMS Numbers 461-13-03-101 and 461-13-03-024, as more fully described in the legal description attached hereto as **Exhibit A**; together with all and singular, easements, covenants, agreements, rights, privileges, tenements, hereditaments and appurtenances thereunto now or hereafter belonging or appertaining thereto (collectively, the "***Land***"); and

(b) all of the buildings, structures, fixtures, facilities, installations and other improvements of every kind and description now or hereafter in, on, over and under the Land, including, without limitation, any and all plumbing, air conditioning, heating, ventilating, mechanical, electrical and other utility systems, loading docks, parking lots and facilities, landscaping, roadways, sidewalks, security devices, signs and light fixtures currently owned by Seller (collectively, the "***Improvements***") (the Land and Improvements being collectively referred to as the "***Premises***"); and

(c) all furniture, furnishings, fixtures, equipment, machinery, maintenance vehicles and equipment, tools, parts, recreational equipment, carpeting, window treatments, stationery and other farm, agricultural, or office supplies, and other tangible personal property of every kind and description situated in, on, over and under the Premises or used in connection therewith, owned by Seller or in which Seller otherwise has an interest (other than a leasehold interest or furnishings and equipment used by the Seller to secure, protect, or occupy the premises) and which is not owned by tenants under the Leases (as hereinafter defined), together with all

replacements and substitutions therefor (together with the intangible personal property hereinafter identified, collectively the "***Personal Property***"), a complete and accurate itemization of which is attached to this Agreement as **Exhibit B**; and

(d) all right, title and interest of Seller in all existing surveys, blue prints, drawings, plans and specifications and other documentation for or with respect to the Property or any part thereof;

(e) all right, title and interest of Seller in, claims, choses in action, leases and other contract rights associated with the Property which Purchaser elects to assume; and

(f) all right, title and interest of Seller in and to the Service Contracts (as hereinafter defined) which Purchaser elects to assume and the other intangible personal property, together with any associated goodwill, now or hereafter owned by Seller or in which Seller otherwise has an interest and used in connection with or arising from the ownership of the Property or any part thereof, including, without limitation, claims, choses in action, lease and other contract rights, names, and, if available, telephone exchange numbers. A list of all employment, union, purchase, service and maintenance agreements, equipment leases and any other agreements, contracts, licenses and permits to which Seller is a party and affecting or pertaining in any way to the Property or any part thereof excluding agreements that encumber other property of the Seller (the "***Service Contracts***") is attached to this Agreement as **Exhibit D**.

2. PURCHASE PRICE. The purchase price (the "***Purchase Price***") to be paid by Purchaser to Seller for the Property shall be THIRTY MILLION and No/100 Dollars ($30,000,000.00), subject to any adjustments as provided herein. The Purchase Price shall be paid as follows:

(a) Earnest Money.

(i) Upon execution of this Agreement, Purchaser will deliver (by wire transfer) to Haynsworth Sinkler Boyd, P.A. (the "***Escrow Agent***"), whose address is 134 Meeting Street, Third Floor, Charleston, South Carolina 29401, Attention: James H. Suddeth III, Esq., the sum of **Five Hundred Thousand and No/100 Dollars ($500,000.00)** (referred to in this Agreement as the "***Initial Deposit***"). Escrow Agent shall deposit the Initial Deposit in a non-interest bearing account of a federally insured bank. The Initial Deposit shall be held by Escrow Agent pursuant to the terms of this Agreement.

(ii) If the transaction contemplated by this Agreement closes in accordance with the terms and conditions of this Agreement, at Closing (as defined below), the Earnest Money (as hereinafter defined) shall be applied by the Purchaser's closing attorney toward the Purchase Price. Otherwise, the Earnest Money shall be delivered by the Escrow Agent in accordance with the terms of this Agreement.

(iii) No later than 5:00 p.m., on the second (2nd) business day after the expiration of the Due Diligence Period (as hereinafter defined), Purchaser shall

deposit the additional sum of One Million and 00/100 U.S. Dollars ($1,000,000.00) (the "***Additional Deposit***") into the escrow account of the Escrow Agent. The failure of Purchaser to make the Additional Deposit in accordance with the foregoing shall constitute Purchaser's election to terminate this Agreement, in which event the Initial Deposit shall be immediately returned to Purchaser without any right of Seller to object to, delay or impede such refund and neither party shall thereafter have any further rights, obligations or liability hereunder. As used herein, the term "***Earnest Money***" shall mean and include the Initial Deposit, and, to the extent the same is tendered by Purchaser pursuant hereto, the Additional Deposit.

(b) Cash at Closing. At Closing, Purchaser shall pay to Seller the balance of the Purchase Price, credited for the Earnest Money, plus or minus the adjustments and prorations required by this Agreement (such amount, as adjusted, being referred to herein as the "***Cash Balance***").

3. OPERATION OF PROPERTY THROUGH CLOSING.

From date this Agreement is executed and delivered by both Purchaser and Seller (the "***Effective Date***") through and including the first to occur of (i) the termination of this Agreement or (ii) the Closing Date:

(a) Except as otherwise provided in this Section 3, Seller shall manage and operate the Property in accordance with sound and prudent business practices and keep the Property in its present condition and repair, ordinary wear and tear excepted.

(b) Without the prior written consent of Purchaser, Seller shall not sell, mortgage, pledge, lease, hypothecate or otherwise transfer or dispose of all or any part of the Property or any interest therein, nor shall Seller initiate, consent to, approve or otherwise take any action with respect to zoning or any other governmental rules or regulations presently applicable to all or any part of the Property, other than such action as is necessary to maintain the Property in compliance with such rules and regulations applicable to all or any part of the Property.

(c) Without the prior written consent of Purchaser, Seller shall not terminate, modify, extend, amend or renew any agreements affecting the Property, or enter into any new agreements affecting the Property, including without limitation any agreements relating to the sale or harvesting of timber. Any new agreements affecting the Property shall be reviewed and approved in advance by Purchaser.

(d) Seller shall comply with all federal, state, municipal and other governmental laws, ordinances, requirements, rules, regulations, notices and orders, and all agreements, covenants, conditions, easements and restrictions relating to the Property, including, without limitation, any such requirements, rules, regulations, notices or orders issued or imposed after the Effective Date.

(e) Seller shall promptly give written notice to Purchaser of the occurrence of any event which affects the truth or accuracy of any representations or warranties made or to be made by Seller under or pursuant to this Agreement.

(f) Purchaser shall have such access to the Property as is reasonably necessary for it to inspect the same to assure that Seller is complying with the requirements of this Section 3.

4. STATUS OF TITLE TO PROPERTY.

(a) State of Title. At Closing, Seller shall convey to Purchaser good, marketable and insurable fee simple title in and to the Property by a recordable limited warranty deed, subject only to: (i) those covenants, conditions and restrictions and other exceptions to title of record (subject to Section 4(d) below); and (ii) the lien of general real estate taxes for the current year and subsequent years which are not yet due or payable (the above enumerated exceptions collectively referred to as the "***Permitted Exceptions***"; provided, that Seller shall pay off and obtain releases on all existing mortgages and other lien indebtedness that were created or consented to by Seller (or arose from the performance of work or delivery of materials that was authorized or consented to by Seller) (collectively, "***Monetary Liens***"), at or prior to Closing, and in no event shall such matters be deemed Permitted Exceptions).

(b) Preliminary Evidence of Title. Within three (3) business days after the Effective Date, Seller shall furnish to Purchaser a copy of its existing owner's title insurance policy and any available mortgagee policies (together, the "***Current Title Policies***") and any surveys of the Property in Seller's possession or control, if any. On or before fifteen (15) days prior to the expiration of the Due Diligence Period (as hereinafter defined), Purchaser shall obtain a commitment (the "***Title Commitment***") for an ALTA Owner's Title Insurance Policy ("***Owner's Title Insurance Policy***") proposing to insure Purchaser and committing to insure the Property in the amount of the Purchase Price.

(c) At any time during the Due Diligence Period, Purchaser, at Purchaser's sole cost and expense, shall be entitled, if Purchaser so elects, to cause an accurate and complete survey of the Property to be made (the "***Survey***"). The Survey shall be sufficient in form and content so that the title company will delete the standard survey exception and include any matters the Purchaser desires to have shown.

(d) Title Defects. If the Title Commitment or Survey obtained by Purchaser discloses exceptions to title which Purchaser finds to be objectionable, Purchaser shall so notify Seller as soon as is practicable, but in any event thirty (30) days prior to the expiration of the Due Diligence Period (the "***Title Objection Date***"), and Seller shall have fifteen (15) days from the date of such notice to have each such unpermitted exception to title removed or to correct each such other matter, or to let Purchaser know that Seller will not correct the title objection(s). If Seller elects not to correct the title objection(s), Purchaser may elect, as its sole and exclusive remedy in such event, to either (i) terminate this Agreement and immediately receive from Escrow Agent the Earnest Money, whereupon this Agreement shall be null and void and of no further force or effect, or (ii) elect to accept title to the Property subject to such objectionable exception (with a right to deduct from the Purchase Price any liens or encumbrances of a definite or ascertainable amount) whereupon such exception(s) which had been objected to shall be deemed approved and shall constitute Permitted Exceptions; provided, however that, notwithstanding the foregoing, Seller shall remove all Monetary Liens. If Purchaser fails to make either such election, Purchaser shall be deemed to have elected option (ii).

5. CLOSING.

(a) Closing Date. Unless otherwise agreed by the parties in writing, the closing of the transaction contemplated by this Agreement (the "***Closing***") shall occur at the offices of Purchaser's counsel on or before the date that is thirty (30) days after the end of the Due Diligence Period (the "***Closing Date***"). The Closing shall be subject to the satisfaction of the conditions precedent set forth in Section 9 herein, unless waived by the party in whose favor the condition runs. If the date of Closing above provided for falls on a Saturday, Sunday or legal holiday, the Closing Date shall be the next business day.

(b) Closing Documents.

(i) Seller. Prior to the Closing Date, Seller shall deliver or cause to be delivered to Purchaser a copy of each of the following (the original of each, in form and substance acceptable to Purchaser and Purchaser's counsel, to be executed (if necessary) and delivered at Closing):

(1) A limited warranty deed, subject only to the Permitted Exceptions, sufficient to transfer and convey to Purchaser good, marketable and insurable fee simple title to the Property as required by this Agreement, in a form agreed upon by Purchaser's counsel (the "***Deed***"), which shall require the property to contain a certain amount, above a nominal number, of residential units for housing and which shall be subject to the affordability parameters set forth herein below;

50% of the total residential units for housing on the entire site shall be subject to affordability parameters as further defined:
20% of the entire site for housing not to exceed 120% AMI
10% of the entire site for housing not to exceed 100% AMI
10% of the entire site for housing not to exceed 80% AMI
10% of the entire site for housing not to exceed 60% AMI

(2) A bill of sale and general assignment sufficient to transfer to Purchaser title to the Personal Property in a form acceptable to Purchaser and containing appropriate warranties of title and condition as required by this Agreement (the "***Bill of Sale and General Assignment***");

(3) A settlement statement and any and all affidavits, certificates or other documents required by the title insurer in order to cause it to issue the Owner's Title Insurance Policy in the form and condition required by this Agreement;

(4) A certified copy of the resolutions adopted by the Seller and such other evidence of Seller's power and authority to enter into this Agreement and to convey the Property as Purchaser reasonably requests;

(5) If applicable, Seller's affidavit stating, under penalty of perjury, Seller's U.S. taxpayer identification number and that Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code;

(6) If applicable, Nonresident Seller Withholding affidavit pursuant to the requirements of Section 12-8-580 of the Code of Laws of South Carolina;

(7) Pursuant to Section 12-54-124 of the Code of Laws of South Carolina, a certificate of tax compliance for Seller issued by the South Carolina Department of Revenue no more than thirty (30) days prior to the date of Closing, or in lieu thereof, a Transferor Tax Lien Affidavit; and

(8) All other documents reasonably required by Purchaser or the title insurer in order to perfect the conveyance, transfer and assignment of the Property to Purchaser and issue the Owner's Title Insurance Policy.

(ii) Purchaser. Purchaser shall deliver or cause to be delivered to Seller at Closing: (a) the Cash Balance; (b) a settlement statement; and (c) any and all affidavits, certificates or other documents required by the title insurer in order to cause it to issue the Owner's Title Insurance Policy in the form and condition required by this Agreement.

(c) Closing Prorations and Adjustments. In addition to prorations and other adjustments that may otherwise be provided for in this Agreement, the following items are to be prorated or adjusted, as the case may require, as of the Closing Date:

(i) real estate taxes and assessments (initially prorated on the basis of 100% of the most recent ascertainable bill, but subject to reproration upon issuance of the actual bill therefor to effectuate the actual proration);

(ii) assignable license and permit fees;

(iii) rents and other income with respect to the Property, if any; and

(iv) other expenses of operation and similar items.

Except with respect to general real estate taxes (which shall be reprorated upon the issuance of the actual bills, if necessary), any proration which must be estimated at Closing shall be reprorated and finally adjusted as soon as practicable after the Closing Date with any refunds payable to Seller or Purchaser to be made as soon as practicable; otherwise all prorations shall be final. Amounts on deposit with utility companies shall not be prorated; provided, however, that promptly following the Closing, Purchaser shall substitute its own deposit for any amounts on deposit with utility companies and shall refund to Seller any portion of Seller's deposit which is refunded by the utility company.

(d) Closing Costs. Seller shall pay all transfer taxes, documentary stamps pursuant to S.C. Code Section 12-24-10, intangible taxes and similar taxes or charges (if applicable), and all other costs customarily paid by Seller. Purchaser shall pay the nominal cost to record the deed, the premium for the Owner's Title Insurance Policy, all costs of Purchaser's due diligence activities including surveying, engineering, environmental reports, and all other costs customarily paid by Purchaser. Seller and Purchaser shall each be responsible for the fees and costs of their respective attorneys.

(e) Possession. Upon Closing, Seller shall deliver to Purchaser full, complete and exclusive possession of the Property.

6. CASUALTY LOSS AND CONDEMNATION. Until the purchase of the Property has been consummated by Purchaser, all risk of loss, damage, or destruction respecting the Property (whether by fire, flood, tornado, or other casualty, or by the exercise of the power of eminent domain, or otherwise) shall be borne by Seller. In the event of any material damage to or destruction of the Property or any material portion thereof or in the event of any taking or threat of taking by condemnation (or any conveyance in lieu thereof) of the Property or any material portion thereof by anyone having the power of eminent domain, Purchaser shall, by written notice to Seller delivered within twenty (20) days of receiving written notice from Seller of such event, elect to: (i) terminate this Agreement and all of Purchaser's obligations under this Agreement and this Agreement shall terminate and no party shall have any right, duty or obligation under this Agreement, except for any rights or obligations that expressly survive termination of this Agreement; or (ii) proceed with the purchase of the Property. If Purchaser does not elect to terminate this Agreement pursuant to clause (i) of this Section 6, then Seller shall on the Closing Date pay to Purchaser all insurance proceeds then received by Seller and all condemnation awards and compensation then received by Seller with respect to the Property. In addition, Seller shall transfer and assign to Purchaser, in a form reasonably satisfactory to Purchaser, all rights and claims of Seller with respect to payment for damages and compensation on account of such damage, destruction or taking with respect to the Property. For the avoidance of doubt, in the event that Purchaser terminates this Agreement pursuant to this Section 6, the Earnest Money shall be returned to Purchaser.

7. REPRESENTATIONS AND WARRANTIES.

(a) Seller represents and warrants to Purchaser that the following are true, complete and correct as of the date of this Agreement:

(i) Seller is the sole owner of, and has good, insurable and marketable fee simple title to, the Property free and clear of all liens, encumbrances, claims, demands, easements, rights or interests of others, covenants, conditions, restrictions and encroachments of any kind or nature other than Permitted Exceptions. Seller has not entered into any agreement to lease, sell, mortgage or otherwise encumber or dispose of its interest in the Property or any part thereof, except for this Agreement. Except as disclosed on **Exhibit C** and **Exhibit D**, there are no leases, permits, contracts, or other agreements, written or oral, granting to any party the right to the use or occupancy of the Property, or any part thereof, and other than

Seller, there are no parties in possession of or entitled to possession of the Property, or any part thereof.

(ii) Seller is selling the Property in its present condition.

(iii) There is no violation of any applicable rules, regulations, laws, ordinances and codes of governmental authorities having jurisdiction over the Property.

(iv) There is no action, proceeding or investigation pending or to Seller's actual knowledge, threatened against Seller or the Property before any court or governmental department, commission, board, agency or instrumentality; and Seller does not know of any basis for any such action, proceeding or investigation.

(v) Seller has no knowledge of, and has not received notice of any violation of any covenant or restriction applicable to the Property, or any part thereof, from any governmental authority notice of any violation of any zoning, building, fire or health code or any other statute, ordinance rule or regulation applicable (or alleged to be applicable) to the Property, or any part thereof.

(vi) Seller is duly organized, validly existing and qualified and empowered to conduct its business and has full power and authority to enter into and fully perform and comply with the terms of this Agreement. Neither the execution and delivery of this Agreement nor its performance by Seller, will conflict with or result in the breach of any contract, agreement, law, rule or regulation to which Seller is a party or by which Seller is bound. This Agreement is valid and enforceable against Seller in accordance with its terms and each instrument to be executed by Seller pursuant to this Agreement or in connection herewith will, when executed and delivered, be valid and enforceable against Seller in accordance with its terms.

(vii) Seller has not received notice of any civil, criminal or administrative suit, claim, hearing, violation, investigation, proceeding or demand against Seller or the Property relating in any way to a Release (as defined below), the use of Hazardous Materials, or compliance with Environmental Laws. For purposes of this Agreement, the phrase "***Environmental Laws***" shall mean any federal, state or local law, statute, ordinance, order, decree, rule or regulation and any common laws regarding health, safety, radioactive materials, or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq. ("***CERCLA***"); the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq. ("***RCRA***"); the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq. ("***TSCA***"), the Occupational, Safety and Health Act, 29 U.S.C. § 651, et seq. ("***OSHA***"), the Clean Air Act, 42 U.S.C. § 7401, et seq. ("***CAA***"), the Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq. ("***FWPCA***"), the Safe Drinking Water Act, 42 U.S.C. § 3001, et seq. ("***SDWA***"), the Hazardous Materials Transportation Act, 49 U.S.C. § 1802, et seq. ("***HMTA***") and the Emergency Planning and Community

Right to Know Act, 42 U.S.C. § 11001, et seq. ("***EPCRA***"), the Endangered Species Act of 1973, 16 U.S.C. § 1531 et seq. ("***ESA***"), the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq. ("***FIFRA***") and other comparable federal, state or local laws, each as amended, and all rules, regulations and guidance documents promulgated pursuant thereto or published thereunder. The phrase "***Hazardous Materials***" shall mean each and every element, compound, chemical mixture, contaminant, pollutant, material, waste or other substance which is defined, determined or identified as hazardous or toxic under Environmental Laws (as hereinafter defined) or the Release of which is regulated under Environmental Laws, excluding normal and customary cleaning solvents. Without limiting the generality of the foregoing, the term "Hazardous Materials" will include: crude oil, used oil, petroleum and petroleum products or any fraction thereof; radioactive materials including source, by-product or special nuclear materials; asbestos or asbestos-containing materials (whether or not friable); lead paint; polychlorinated biphenyls, urea-formaldehyde in any of its forms; radon; mold; and any substance defined as "hazardous substances," "extremely hazardous substances," "hazardous waste," "hazardous materials," "chemical substance or mixture," "solid waste," "hazardous chemicals," "toxic substances," "hazardous air pollutants," "pollutants," contaminants," or "toxic chemicals" under any of the CAA, CWA, RCRA, CERCLA, EPCRA, SDWA, TSCA or OSHA. The term "***Release***" shall mean the discharge, disposal, deposit, injection, dumping, spilling, leaking, leaching, placing, presence, pumping, pouring, emitting, emptying, escaping, or other release of any Hazardous Material.

(viii) To the best of Seller's knowledge, (1) the Property does not violate any Environmental Laws, (2) there are no Hazardous Materials on, in or under the Property, and (3) there has been no Release at the Property. To the best of Seller's knowledge, except as disclosed in the Seller Information, there are no other under or above ground storage tanks on, in or under the Property. The Property has never been used by Seller to generate, treat, store, dispose, transport or in any manner deal with Hazardous Materials.

(ix) All financial information concerning the operation of the Property heretofore or hereafter furnished by Seller to Purchaser is and shall be true, complete and correct as of the date therein specified and shall present fairly the financial condition of the Property in a manner consistent with such presentation for prior years.

(x) All bills and invoices for labor and material of any kind relating to the Property have been or prior to the Closing will be paid in full, and there are no mechanic's liens or claims outstanding or available to any party in connection with the Property.

(xi) There are no claims, disputes, actions, suits, investigations, judgments, orders or any proceedings pending, or threatened, relating to any of the Property, including any condemnation proceedings or property boundary disputes.

(xii) To the best knowledge of the Seller, there are no unpaid assessments, fees or taxes which are presently due and owing relating to the Property.

(xiii) The Service Contracts comprise every contract, agreement, relationship and commitment, oral or written, which affects the Property (excepting the Leases), to which Seller is a party, or by which it is bound, including without limitation, all agreements relating to employment and collective bargaining, the purchase of materials, supplies, equipment, machinery parts, products, or services, pension, profit-sharing, deferred compensation, bonuses, or incentives, and the lease of any personal property. Seller is not in default, nor is Seller aware that any other party is in default under the terms of any Service Contract. Except as otherwise noted on **Exhibit D**, each Service Contract is cancelable without payment of any premium or penalty upon not more than thirty (30) days' notice. If any Service Contract is not terminable and Purchaser nonetheless directs Seller to cancel the same, Purchaser agrees to pay any penalties associated with such termination.

(xiv) **Exhibit C** describes all existing Leases.

(xvi) To the best of Seller's knowledge, the Property is presently served by all necessary utilities, including without limitation, gas, electricity, telephone, water and sanitary and storm sewers (collectively, "***Utilities***"). To the best of Seller's knowledge, (1) no fact or condition exists which would result in the termination, discontinuation or interruption of any Utilities, or of cable television, and (2) all connection, hook-up, recapture and tap fees have been paid.

(b) By closing on the transaction, Seller shall be deemed to have reaffirmed to Purchaser that, as of the Closing, each of the warranties and representations set forth in Section 7(a) above shall be true, complete and correct.

(c) The foregoing warranties and representations of Seller shall survive the execution and delivery of this Agreement, the Closing and delivery of all documents and any and all performances in accordance with this Agreement. Such warranties and representations shall be valid for a period of one year from the execution of this Agreement.

(d) If any of Seller's representations, covenants and warranties contained in this Agreement are not true, correct and complete in all material respects upon Closing, Purchaser may, at its option, either terminate this Agreement (in which case Purchaser shall be relieved of any obligations hereunder and the Earnest Money and all interest earned thereon shall be returned to Purchaser), or proceed to Closing without affecting its rights and remedies against Seller after Closing.

(e) Purchaser represents and warrants to Seller that Purchaser is duly organized, validly existing and qualified and empowered to conduct its business, and has full power and authority to enter into and fully perform and comply with the terms of this Agreement. Neither the execution and delivery of this Agreement nor its performance by Purchaser will conflict with

or result in the breach of any contract, agreement, law, rule or regulation to which Purchaser is a party or by which Purchaser is bound. This Agreement is valid and enforceable against Purchaser in accordance with its terms and each instrument to be executed by Purchaser pursuant to this Agreement or in connection herewith will, when executed and delivered, be valid and enforceable against Purchaser in accordance with its terms.

8. SELLER INFORMATION. Within three (3) business days after the Effective Date, Seller shall furnish or make available to Purchaser the following items, if any, that Seller then has in its possession (collectively, the "***Seller Information***"):

(a) The most recent surveys for the Property;

(b) Copies of the Current Title Policies and most recent commitment for the Property;

(c) Copies of any conservation easements, leases or other agreements affecting the Property;

(d) Evidence of the zoning classification of the Property;

(e) All third party engineering and environmental reports and assessments (both draft and final), action and/or work plans, contracts for remediation, soil and groundwater sampling reports and results, if any;

(f) All appraisals in Seller's possession or control;

(g) A list and copies of all permits, if any;

(h) Copies of existing insurance policies, a summary of all claims submitted in the prior three (3) years and any pending claims relating to the Property or evidence of self insurance;

(i) A list of pending litigation affecting the Seller and the Property, if any;

(j) Any and all other contracts, agreements, documentation or evidence relating to the ownership, use, value, income, expense, operation, leasing, construction, maintenance and repair of the Property;

(k) Financial books and records for the Property;

(l) All termite, radon and mold tests or studies;

(m) A copy of all plans and specifications in the possession or control of Seller relating to the improvements on the Property;

(n) A list of all personal property; and

(o) A list of all permits, warranties and unexpired guaranties, if any.

9. PURCHASER'S CONDITIONS PRECEDENT. At the option of Purchaser, the obligations of Purchaser under this Agreement are contingent and conditional upon any one or more of the following, the failure of any of which shall, at the request of Purchaser and after the return to Purchaser of the Earnest Money, render this Agreement null and void:

(a) During the period commencing on the Effective Date and continuing until 11:59 p.m. on the date that is one hundred twenty (120) days thereafter (the "***Due Diligence Period***"), Purchaser shall have the right, at its sole cost, to verify, inspect, investigate and review, in the Purchaser's sole discretion: (i) documentation of any covenants, conditions and restrictions and other exceptions of title of record, and including, without limitation, documentation regarding any and all leases, cross-easements and other agreements affecting the Property (including terms, conditions and assignability of the foregoing), (ii) physical inspection of the Property including engineering investigation, (iii) valuation appraisal of the Property, (iv) environmental condition of the Property (including conducting a Phase I Environmental Assessment (the "***Phase I***"), and (v) any and all other documentation or evidence relating to the ownership, use, zoning, value, construction, income, expense, operation, leasing, options and maintenance and repair of the Property. In the event the Purchaser obtains a Phase I and the Phase I recommends that a Phase II be conducted, Purchaser may perform or cause to be performed a Phase II or other invasive environmental testing (collectively, a "***Phase II***") only with the prior written consent of Seller. In addition, during the Due Diligence Period, Purchaser shall have the right, at its sole cost, to have a licensed termite exterminator conduct an inspection of the Property to determine whether there is a visible, active termite infestation. If the end of the Due Diligence Period falls on a Saturday, Sunday or legal holiday, the end of the Due Diligence Period shall be automatically extended to the next business day. If for any reason whatsoever (or no reason) Purchaser determines in its sole and absolute discretion that the Property is unsuitable for its purposes and delivers written notice to Seller of such decision within said Due Diligence Period, the Earnest Money shall be returned to Purchaser, at which time this Agreement shall be null and void and neither party shall have any rights or obligations under this Agreement. Purchaser's failure to terminate this Agreement within said Due Diligence Period, shall be deemed a waiver by Purchaser of the condition contained in this Section 9(a). From the Effective Date through Closing, Purchaser and its agents, engineers, surveyors, appraisers, auditors and other representatives shall have the right to enter upon the Property to inspect, examine, survey, obtain engineering inspections, perform environmental testing and studies, appraise, and otherwise do that which, in the opinion of Purchaser, is necessary to determine the boundaries, acreage and condition of the Property and to determine the suitability of the Property for the uses intended by Purchaser (including, without limitation, inspect, review and copy any and all documents in the possession or control of Seller, its agents, contractors or employees, and which pertain to the construction, ownership, use, occupancy or operation of the Property or any part thereof). Seller shall cooperate with Purchaser in connection with Purchaser's due diligence activities, and during ordinary business hours, after reasonable advance notice to Seller, Seller shall make the Property and all of Seller's books, files and records relating in any way to the Property available for examination by Purchaser and Purchaser's agents and representatives, who shall have the right, all at Purchaser's expense, to make copies of such books, files and records and to extract therefrom such information as they may desire.

(b) As of Closing, Purchaser shall have determined, in its sole discretion, whether the Property is eligible for a Voluntary Cleanup Contract with the South Carolina Department of Environmental Services.

(c) Each and every representation and warranty of Seller is true, correct and complete in all material respects as of Closing.

(d) As of Closing, Seller shall have fully performed and satisfied each and every obligation, term and condition to be performed and satisfied by Seller under this Agreement.

10. SUBDIVISION/ RECONFIGURATION. Purchaser shall have the right, but not the obligation, to engage a licensed surveyor or civil engineer to prepare a subdivision and/or reconfiguration plat ("***Subdivision Plat***") for the subdivision and/or reconfiguration of the Land. Purchaser shall obtain all required governmental approvals for the subdivision and/or reconfiguration and recording of the Subdivision Plat prior to expiration of the Inspection Period, however the Subdivision Plat shall not be recorded prior to Closing without Seller's prior written consent. The Subdivision Plat shall be in form and content reasonably acceptable to Seller.

11. BROKERAGE. Each party represents and warrants to the other party that it has dealt with no broker or finder in connection with this transaction.

12. DEFAULTS AND REMEDIES.

(a) Default by Purchaser. If the sale and purchase of the Property as contemplated by this Agreement is not consummated because of Purchaser's default or failure or refusal to perform hereunder, Seller's sole remedy shall be to terminate this Agreement by written notice to Purchaser and to receive and retain the Earnest Money as agreed upon liquidated damages for such default, and upon Seller's receipt of such Earnest Money, this Agreement shall become null and void, and the Parties hereto shall thereupon be released of all further liability hereunder, except for any rights or obligations that expressly survive termination of this Agreement. It is hereby agreed that, without resale, Seller's damages will be difficult to ascertain and that the Earnest Money constitutes a reasonable liquidation thereof and is intended not as a penalty, but as full liquidated damages, in the event the sale and purchase of the Property is not consummated because of Purchaser's default. Seller agrees that in the event the sale and purchase of the Property is not consummated due to Purchaser's default hereunder, Seller shall not initiate any action for specific performance or any proceeding to recover damages from Purchaser and Purchaser agrees that in the event of its default, it shall not initiate any proceeding challenging Seller's right to receive the Earnest Money as liquidated damages.

(b) Default by Seller. If the sale and purchase of the Property contemplated by this Agreement is not consummated on or before the date required by the terms of this Agreement on account of Seller's default hereunder or if Seller otherwise defaults in the performance of any of its obligations hereunder, and Seller fails to cure such default within ten business (10) days after receipt of written notice of default from Purchaser, Purchaser may, at Purchaser's sole election and as Purchaser's sole and exclusive remedies, either (i) obtain specific performance of Seller's obligation to convey the Property to Purchaser; or (ii) terminate this Agreement by written notice delivered to Seller, in which case Seller shall promptly refund to Purchaser the full amount of the Earnest Money.

13. MISCELLANEOUS.

(a) Entry upon Property. Between the Effective Date and the Closing Date, Purchaser and its agents or representatives shall have the right to enter upon the Property upon reasonable notice and during normal business hours for the purpose of examining, inspecting and testing the Property. Purchaser shall promptly restore the Property to the condition in which it existed on the Effective Date hereof after the completion of all such tests or surveys. Notwithstanding the foregoing, Purchaser shall have no liability to Seller or to any other person or entity by reason of any claim, demand, damage, loss, action, liability, cause of action or judgment, including, without limitation, any claim, for diminution in value of the Property or for environmental remediation or clean-up costs, arising out of or in connection with the fact of having discovered and/or reported (as may be required by law) any adverse physical condition, title condition or other defect with respect to the Property.

(b) Reserved.

(c) Entire Agreement. This Agreement constitutes the entire agreement between Seller and Purchaser with respect to the Property and shall not be modified or amended except in a written document signed by Seller and Purchaser. Any prior agreement or understanding between Seller and Purchaser concerning the Property is hereby rendered null and void.

(d) Time is of the Essence. Time is of the essence of this Agreement. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which the period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period shall be deemed to run until the end of the next day which is not a Saturday, Sunday or legal holiday.

(e) Headings. The headings of this Agreement are for convenience of reference only and do not in any way limit or amplify the terms and provisions hereof.

(f) Further Assurances. As requested by Purchaser, Seller will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things as may be necessary and reasonably required in order to further and more fully vest in Purchaser, all rights, interests, powers or benefits intended to be conferred upon it by this Agreement.

(g) Construction. The parties acknowledge that each party and its counsel have reviewed and revised this Agreement, and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

(h) Intentionally deleted.

(i) Notices. All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing and delivered personally or by certified mail, return receipt requested, postage prepaid, by facsimile or other electronic transmission, or by overnight courier (such as Federal Express), addressed as follows:

If to Seller:

Charleston County, South Carolina
Attn: County Administrator
4045 Bridge View Drive
North Charleston, South Carolina 29405
Fax: 843.958.4004

With a copy to:

Charleston County Attorney's Office
Attn: Natalie A. Ham
4045 Bridge View Drive
North Charleston, South Carolina 29405
Fax: 843.958.4017
Email: nham@charlestoncounty.org

If to Purchaser:

City of Charleston
Attn: Julia P. Copeland
50 Broad Street
Charleston, South Carolina 29401
Phone: 843.724.3730
Email: copelandj@charleston-sc.gov

With a copy to:

Haynsworth Sinkler Boyd, P.A.
Attn: James H. Suddeth III, Esq.
134 Meeting Street, Third Floor
Charleston, South Carolina 29401
Fax: 843.720.4530
Email: jsuddeth@hsblawfirm.com

(j) Governing Law. The laws of South Carolina shall govern this Agreement. All litigation arising under this Agreement shall be litigated only in a nonjury hearing in the Court of Common Pleas, Ninth Judicial Circuit, Charleston County, South Carolina

(k) Counterparts. This Agreement may be executed in any number of identical counterparts, any or all of which may contain the signatures of fewer than all of the parties but all of which shall be taken together as a single instrument.

(l) Electronic or Facsimile Transmission. Counterparts to this Agreement may be executed and delivered by electronic or facsimile transmission, and for purposes of this

Agreement, signatures transmitted by electronic or facsimile transmission (including, without limitation, DocuSign) shall be deemed to be original signatures.

(m) Survival. All representations, warranties, covenants, agreements and obligations of a party hereunder may be relied upon by the other party, and all such indemnities, representations, warranties, covenants, agreements and obligations shall survive the Closing and shall not be deemed to merge with or into the documents delivered at the Closing. Such representations, warranties, covenants, agreements and obligations shall be valid for a period of one year from the execution of this Agreement.

(n) Non-Solicitation. To induce Purchaser to enter into this Agreement and conduct the Due Diligence review, neither Seller nor its representatives will directly or indirectly negotiate or execute any agreement with, solicit inquiries from, or disclose information to, others in connection with any transaction that is inconsistent with the transaction described in this Agreement.

(o) Confidentiality. Except as otherwise contemplated herein or as may be required by any law, rule, or regulation, neither party shall disclose the provisions of this Agreement to any third party, and it shall be treated by all parties as confidential unless otherwise agreed to in writing. Moreover, Purchaser and Seller shall maintain any and all information related to this Agreement and the transactions contemplated under this Agreement (the "***Confidential Information***") in strict confidence and not disclose the Confidential Information to any party without prior written consent of the other, except that Purchaser may disclose the Confidential Information to its directors, officers, council members, employees, lenders, prospective lenders, investors, potential investors, contractors, consultants, agents, professional firms performing inspections and report reviews, brokers, affiliates and prospective lenders (collectively, hereinafter referred to as "***Necessary Representatives***"), who need such information for the purpose of proceeding with the transaction, provided that they are directed to keep the Confidential Information confidential. Notwithstanding the foregoing, the term "Confidential Information" does not include information which: (i) was in, or subsequently enters, the public domain prior to its dissemination by the receiving party; (ii) was independently developed by receiving party without the use of or reference to the Confidential Information; (iii) was already known to the receiving party at the time of receipt, provided that receiving party had no reasonable basis (after due inquiry) for concluding that the source of such information was bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, any other party with respect to such information; or (iii) is or becomes available to the receiving party from another source; provided such information is not known by the receiving party to be subject to a duty of confidentiality in favor of the disclosing party. The parties expressly acknowledge, covenant and agree that neither party shall make any press release or other public disclosure concerning the transaction contemplated by this Agreement without written consent of the other party. The party requesting the press release shall first disclose the intended press release information to the other party when requesting permission to publish. This subsection shall survive cancellation or termination of this Agreement for twelve (12) months.

*****Remainder of Page Intentionally Left Blank*****

[Signatures on Following Pages]

The parties have executed this Agreement as of the Effective Date.

SELLER:

CHARLESTON COUNTY, SOUTH CAROLINA,
a body corporate and politic, and a political subdivision
of the State of South Carolina

By: _____
Name: Kylon Jerome Middleton
Its: Chairman

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

PURCHASER:

CITY OF CHARLESTON,
a South Carolina municipal corporation

By: _____
William S. Cogswell, Jr.
Its: Mayor

EXHIBIT A

Legal Description of Property

1. Deed for 995 Morrison Dr.
2. Deed for Lot C – LID, LLC, 0.77 acres
3. Temporary Construction Easement to LID, LLC
4. 995 Morrison Subdivision Plat, Recorded
5. Alta 995 Morrison

1

STATE OF SOUTH CAROLINA)
) TITLE TO REAL ESTATE
COUNTY OF CHARLESTON)

KNOW ALL MEN BY THESE PRESENTS, that 995 Morrison Drive Associates, a South Carolina general partnership, in the State aforesaid for and in consideration of the sum of One Million Four Hundred Fifty Thousand and no/100 ($1,450,000.00) Dollars to it in hand paid at and before the sealing of these presents by County of Charleston in the State aforesaid, the receipt whereof is hereby acknowledged, have granted, bargained, sold and released, and by these presents do grant, bargain, sell and release unto the said County of Charleston, the following described property, to-wit:

All that lot, piece or parcel of land, situate, lying and being in the City of Charleston, County of Charleston, State aforesaid, on the west side of Morrison Drive, containing eight (8) acres, more or less, and enclosed within the letters "A" - "B" - "C" - "D" - "E" - "F" - "G" - "H" - "A" on a plat entitled "Plat of Two Tracts of Land on Morrison Drive, Charleston, South Carolina, owned by Atlantic Coast Line Railroad Company" surveyed by Cummings & McCrady, Inc., Architects-Engineers, dated March, 1964, with line "D - E" shown on said plat added July, 1965, that is recorded in the RMC Office for Charleston County in Book T-83, page 421, Plat Book T, Page 93. The above described property is more particularly described, according to said plat, as follows:

Commencing at the southwest intersection of Morrison Drive and Conroy Street, designated "A", and marked by a pipe, and running thence in a general southeasterly direction along the west edge of Morrison Drive, fifty (50') feet, to a point designated "B" marked by a pipe, and running thence in a general southeasterly direction along the west edge of Morrison Drive one hundred (100') feet to a point designated "C" and marked by a pipe; and thence in a general southeasterly direction along the west edge of Morrison Drive five hundred sixty-four (564') feet to a point designated "D"; and running thence in a general southwesterly direction four hundred ninety-eight and one tenths (498.1') feet to a point on the east edge of Hanover Street designated "E" and marked by a pipe; and running thence in a general northwesterly direction along the east edge of Hanover Street, five hundred ninety-eight and three tenths (598.3') feet to a point designated "F" and marked by a pipe; and running thence in a general northeasterly direction along the south edge of Hanover Street, ten and eight hundredths (10.08') feet to a point designated "G" and marked by a pipe; and running thence along the east edge of Hanover Street one hundred sixteen and six tenths (116.6') feet to a point designated "H", the southeast intersection of Hanover Street and Conroy Street, marked by a monument and pipe; and running thence in a general northeasterly direction along the south edge of Conroy Street, four hundred forty-nine and nine tenths (449.9) feet to a point designated "A" which is the point of beginning; be all the said dimensions a little more or less.

EXCEPTING, HOWEVER:

A strip of land, ten and eight hundredths (10.08') feet wide and one hundred eighty-seven and five-tenths (187.5') feet long, more or less, lying on the east side of Hanover Street between Conroy and Coolblow Streets, and running from the point "G" on the plat hereinafter referred to in a southerly direction parallel to the eastern line of Hanover Street, to a point opposite the northern line of Coolblow Street extended. The plat herein referred to is made by Cummings and McCrady, Inc., dated March, 1964, with a line added on July, 1965, which plat is recorded in the RMC Office for Charleston County in Plat Book T at page 93.

The above described property is the same property shown as "995 Morrison Drive, 347,058 Sq. Ft., 7.97 acres" on a plat thereof entitled "Plat Showing A Re-survey Of A Parcel Of Land Known As No. 995 Morrison Drive, Situate As Shown In The City Of Charleston, Charleston County, South Carolina. This Property Is Presently Owned By River Road Company And Is About To Be Conveyed To: 995 Morrison Drive Associates" prepared by Charles F. Dawley, Jr., R.L.S. dated March 29, 1990.

This being the same premises conveyed to the Grantor herein by deed from River Road Company, a South Carolina general partnership, dated April 21, 1990 and recorded April 24, 1990 in the RMC Office for Charleston County in Book R-192 at page 94.

The above described property is conveyed subject to the following matters:

1. Ad valorem real estate taxes for the current year, which shall be prorated at closing.

2. Matters which a current correct survey or inspection of the Property would reveal.

3. Rules and Regulations of applicable governmental authorities, including without limit zoning and subdivision regulations, South Carolina Coastal Council Regulations and federal "wetlands" regulations.

4. Matters other than liens appearing on the records of the RMC Office for Charleston County, SC, including without limit, easements recorded at Book B-86, Page 378, and at Book X-85, Page 240, RMC Office for Charleston County, SC.

5. Rights of Tenants in possession or agreed to by Grantee.

TMS #: 461-13-03-024

Grantees' address: 2 Cross House Square
Chas SC 29401

TOGETHER with all and singular, the Rights, Members, Hereditaments and Appurtenances to the said Premises belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular, the said Premises before mentioned unto the said County of Charleston, its Successors and Assigns forever.

AND it does hereby bind itself and its Heirs, Successors, Executors and Administrators, to warrant and forever defend, all and singular, the said Premises unto the said County of Charleston, its Successors and Assigns, against it and its Successors, and all persons whomsoever lawfully claiming, or to claim the said or any part thereof.

IN WITNESS WHEREOF 995 Morrison Drive Associates, a South Carolina general partnership, has caused these presents to be executed in its name by its duly authorized partners this 5th day of February in the year of our Lord One Thousand Nine Hundred Ninety-Six and in the Two Hundred Twentieth year of the Sovereignty and Independence of the United States of America.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

995 Morrison Drive Associates, a South Carolina general partnership

By: W. David Latimer
W. David Latimer, general partner

By: Ruffie A. Jones
Ruffie A. Jones, general partner

STATE OF SOUTH CAROLINA)
) PROBATE
COUNTY OF CHARLESTON)

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within named 995 Morrison Drive Associates, a South Carolina general partnership, by its duly authorized partners, sign, seal, and as its act and deed, deliver the within written Deed, and that s/he with the other witness above subscribed witnessed the execution thereof.

SWORN to BEFORE me this 28th day of February, 1996.

Elizabeth W. Dismore (L.S.)
NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES: 11/21/98

LAW OFFICES OF C. J. MANOS
ATTORNEY AT LAW
P. O. BOX 1787
CHARLESTON, SC 29402-1787

BK W265PG624

10.00
A

FILED

W265-620
96 FEB 29 PM 2:18

CLERK OF COURT
CHARLESTON COUNTY SC

RMC Verified
CTRL # 43
int Am
2-29-96

TMS VERIFIED
BAC mdy
DTD 3/4/96

Recorded this 29 day of Feb Year '96
On Property Record Card

Peggy A. Mosley
Auditor Charleston County

2

BP0962121

PGS: 6

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

LIMITED WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS that **COUNTY OF CHARLESTON, SOUTH CAROLINA, A PUBLIC BODY POLITIC AND CORPORATE AND POLITICAL SUBDIVISON OF THE STATE OF SOUTH CAROLINA ("Grantor")**, in the State aforesaid, for and in consideration of the sum of FIVE MILLION ONE HUNDRED THOUSAND AND NO/100 DOLLARS ($5,100,000.00), to it in hand paid at and before the sealing of these presents by **LID OZ I, LLC, A DELAWARE LIMITED LIABILITY COMPANY ("Grantee")**, the receipt of which is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release, subject to the restrictions and exceptions hereinafter set forth, unto Grantee, its successors and assigns, the following described real property, to-wit:

ALL those certain pieces, parcels or lots of land, together with the buildings and improvements thereon, if any, situate, lying and being in the City of Charleston, County of Charleston, State of South Carolina, known and designated as "LOT A (0.71 ACRES)" and "LOT C (0.80 ACRES)" on that certain plat prepared by Davis & Floyd, Inc. entitled, " FINAL PLAT SHOWING THE SUBDIVISION OF TMS # 461-13-03-024 (7.94 ACRES) OWNED BY COUNTY OF CHARLESTON AND CREATING LOT A (0.72 ACRES), LOT B (3.17 ACRES), LOT C (0.79 ACRES) AND THE RESIDUAL LOT D (3.26 ACRES) LOCATED CITY OF CHARLESTON, CHARLESTON COUNTY, S.C.", dated December 1, 2020, last revised January 23, 2021 and recorded February 4, 2021 in the ROD Office for Charleston County in Plat Book L21 at Page 0036 (the "Plat"). Said lots having such size, shape, dimensions, buttings and boundings as will by reference to said Plat more fully and at large appear.

BEING portions of the same property conveyed to County of Charleston by deed of 995 Morrison Drive Associates, a South Carolina general partnership, dated February 28, 1996 and recorded February 29, 1996 in the RMC/ROD Office for Charleston County in Book W265 at Page 620.

TMS Numbers: _____ (Lot A)
_____ (Lot C)

Formerly a portion of
TMS No.: 461-13-03-024

Grantee's Address: LID OZ I, LLC
c/o Core Property Capital
Tower Place 100
3340 Peachtree Road, Suite 1660
Atlanta, GA 30326

The above-described real property is conveyed subject to the following terms, reservations, restrictions, conditions, agreements, easements, provisions and exceptions, by which Grantee, by the recording of this deed, acknowledges and agrees to abide:

1. Taxes and assessments for the year 2021 and subsequent years, not yet due and payable.

2. Easement from Paul Motor Company, Inc. in favor of South Carolina Electric and Gas Company dated July 26, 1966 and recorded August 2, 1966 in the ROD Office for Charleston County in Book B86 at Page 378.

3. Easement from Paul Motor Company, Inc. in favor of South Carolina Electric and Gas Company dated June 15, 1966 and recorded July 6, 1966 in the ROD Office for Charleston County in Book X85 at Page 240.

4. Unrecorded Encroachment Permit #2019-94 between County of Charleston and Dominion Energy dated April 30, 2019.

5. Any and all applicable matters shown on that certain plat prepared by Davis & Floyd, Inc. entitled, "PLAT SHOWING THE SUBDIVISION TMS # 461-13-00-024 (sic) OWNED BY COUNTY OF CHARLESTON AND CREATED LOT A (0.71 ACRES), LOT B (3.20 ACRES), LOT C (0.80 ACRES) AND THE RESIDUAL LOT D (3.30 ACRES) LOCATED CITY OF CHARLESTON, CHARLESTON COUNTY, S.C.", dated December 1, 2020 and recorded February 4, 2021 in the ROD Office for Charleston County in Plat Book L21 at Page 0036.

6. **Grantor hereby reserves the right to occupy the above-described real property for up to three hundred (300) days after conveyance. Said right to occupy shall terminate upon the sooner of: (i) three hundred (300) days or (ii) Grantor providing Grantee a recordable Notice of Termination terminating said right.**

TOGETHER, with all and singular the Rights, Members, Hereditaments and Appurtenances to said premises belonging or in any wise incident or appertaining.

TO HAVE AND TO HOLD, subject to the terms, restrictions, conditions, agreements, easements and provisions outlined above, all and singular the property before mentioned, unto the Grantee, its successors and assigns, forever.

AND the Grantor does hereby bind Grantor and Grantor's successors and assigns, to warrant and forever defend, all and singular, the said premises unto the Grantee and the Grantee's successors and assigns, against Grantor and Grantor's successors and assigns, lawfully claiming the same or any part thereof by, through or under Grantor, but not otherwise.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.

SIGNATURES ON FOLLOWING PAGE.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed and sealed this 12th day of February, 2021.

SIGNED, sealed and delivered
in the presence of:

Witness #1

Witness #2

GRANTOR:

County of Charleston, South Carolina,
a public body politic and corporate
and political subdivision of the
State of South Carolina

By: Teddie E. Pryor, Sr.
Its: Chairman of County Council

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

I, a Notary Public for the State of South Carolina, do hereby certify that Teddie E. Pryor, Sr., on behalf of County of Charleston, South Carolina, a public body politic and corporate and political subdivision of the State of South Carolina in his capacity as Chairman of County Council, personally appeared before me this 12th day of February 2021 and acknowledged the due execution of the within Limited Warranty Deed.

Notary Public of South Carolina
My commission expires: 02-10-30 (SEAL)

MELISSA PATE
COM. EXP.
NOTARY
PUBLIC
02-10-2030
SOUTH CAROLINA

STATE OF SOUTH CAROLINA) **AFFIDAVIT**
)
COUNTY OF CHARLESTON)

DATE OF TRANSFER OF TITLE
February 15, 2021

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. I have read the information on this Affidavit and I understand such information.
2. The property being transferred **by County of Charleston, South Carolina, a public body politic and corporate and political subdivision of the State of South Carolina to LID OZ I, LLC, a Delaware limited liability company on February 15, 2021.**
3. Check one of the following: *The DEED is*
   (a) X subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
   (b) ___ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
   (c) ___ EXEMPT from the deed recording fee because (exemptions 1-12) (If exempt, please skip item 4-6, and go to item 7 of this affidavit.)
4. Check one of the following if either item 3(a) or item 3(b) above has been checked.
   (a) X The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of $5,100,000.00.
   (b) ___ The fee is computed on the fair market value of the realty which is $_____.
   (c) ___ The fee is computed on the fair market value of the realty as established for property tax purposes which is $_____.
5. Check YES__ or NO___ to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "YES," the amount of the outstanding balance of this lien or encumbrance is $_____.
6. The DEED Recording Fee is computed as follows:
   (a) $5,100,000.00 the amount listed in item 4 above.
   LESS (b) $_____ the amount listed in item 5 above (no amount place zero).
   TOTAL (c) $5,100,000.00 Subtract Line 6(b) from Line 6(a) and place the result.
7. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: ATTORNEY
8. Check if Property other than Real Property is being transferred on this Deed.
   (a) _____ Mobile Home
   (b) _____ Other
9. _____DEED OF DISTRIBUTION – ATTORNEY'S AFFIDAVIT: Estate of _____ deceased CASE NUMBER _____. Personally appeared before me the undersigned attorney who, being duly sworn, certified that (s)he is licensed to practice law in the State of South Carolina: that (s)he has prepared the Deed of Distribution for the Personal Rep. in the Estate of _____deceased and that the grantee(s) therein are correct and confirm to the estate file for the above named decedent.
10. I understand that a person required to furnish this affidavit who wilfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

SIGNED: _____
Brian A. Hellman
(Grantor, Grantee, or Attorney that prepared form)

Sworn to before me this
19 day of February, 2021.

_____
Notary Public for South Carolina
My Commission Expires: 11/16/2022

RECORDER'S PAGE

***NOTE*: This page MUST remain with the original document**

Filed By:

HELLMAN YATES & TISDALE

105 BROAD STREET, 3 FLOOR
CHARLESTON SC 29401 (BOX)

RECORDED

Date:	February 19, 2021
Time:	3:19:34 PM

Book	*Page*	*DocType*
0962	121	Deed

Michael Miller, Register
Charleston County, SC

MAKER:
COUNTY OF CHARLESTON ETC

RECIPIENT:
LID OZ I LLC

Note:

# of Pages: 6

Recording Fee	$ 15.00
State Fee	$ 13,260.00
County Fee	$ 5,610.00
Extra Pages	$ -
Postage	$ -
Chattel	$ -
TOTAL	**$ 18,885.00**

Original Book:

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AUDITOR STAMP HERE
RECEIVED From ROD
Mar 09, 2021
Peter J. Tecklenburg
Charleston County Auditor

PID VERIFIED BY ASSESSOR
REP RJB
DATE 03/09/2021
36

DRAWER	Drawer 2
CLERK	JBA

0962 — Book
121 — Page
02/19/2021 — Recorded Date
6 — # Pgs

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3

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

TEMPORARY CONSTRUCTION ACCESS EASEMENT AGREEMENT

This **TEMPORARY CONSTRUCTION ACCESS EASEMENT AGREEMENT** (the "Agreement") is entered into this 12th day of February, 2021 (the "Effective Date") by and between the **County of Charleston, South Carolina**, a public body politic and corporate and political subdivision of the State of South Carolina ("Grantor" or the "County"); and **LID OZ I, LLC**, a Delaware limited liability company, ("Grantee" or "LID") (Grantor and Grantee each referred to as the "Party," or collectively referred to as the "Parties.").

WITNESSETH:

WHEREAS, Grantor is the fee simple owner of approximately eight (8) acres of real property located at 995 Morrison Drive in the City of Charleston, South Carolina, Parcel Identification Number 461-13-03-024 (the "Property"); and

WHEREAS, Grantor entered into a Morrison Right-of-Ways Purchase Agreement, as amended, with Grantee on February 19, 2020, for the sale of two strips of land from the Property (the "Morrison ROWs") totaling approximately one and one-half (1.5) acres to be developed by LID and subsequently dedicated as public rights-of-way to extend and construct Cool Blow Street as an elevated bridge to provide access to Laurel Island over Morrison Drive and the existing railroad crossing and to also extend Cedar Street (the "Project"). The Morrison ROWs are shown as lots A, the Project area, and Lot C on **Exhibit A** attached hereto and incorporated herein by reference; and

WHEREAS, LID has requested from the County the grant of a Temporary Construction Access Easement on Lot B of the Property that is approximately 21' wide and further identified as "Proposed 21' Temporary Construction Easement" ("Temporary Easement") as shown on **Exhibit A** for the purpose of facilitating the construction of the Project on lot C; and

WHEREAS, Grantee will pay for all costs of maintaining and repairing the Temporary Easement, and will be responsible for any damages to Grantor's Property occurring during Grantee's use of the Temporary Easement; and

WHEREAS, Charleston County Council finds that the Temporary Easement will be benefit Grantor and its citizens and local businesses, and is in the best interests of the County; and

WHEREAS, Grantor desires to grant and Grantee desires to receive a temporary construction access easement for ingress and egress across those certain portions of Grantor's Property depicted on Exhibit A to make improvements to Grantee's property as depicted in Exhibit B, on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, the above recitals incorporated herein by reference, and for other good and valuable

consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound, agree as follows:

1. **Grant of Easement.** Grantor covenants and agrees that it is the fee owner of the Property upon which the Temporary Construction Access Easement is located and that it has the authority to grant this Temporary Easement to Grantee. Grantor grants to Grantee, its successors and assigns, a temporary non-exclusive construction access easement over, along, across and upon the Property for ingress, egress and construction of the Project.

2. **Expiration of Temporary Easement.** This grant of the Temporary Construction Access Easement Agreement shall terminate thirty (30) days after the completion of the Project or seven (7) years after the Effective Date of this Agreement, whichever occurs first. Upon the expiration of the term of this Agreement, all of the rights and benefits of Grantee in, to and under this Agreement with respect to the Temporary Easement shall automatically terminate and be of no further force and effect.

3. **Restoration of Grantor's Property**. Upon the expiration of this Agreement, Grantee, at its sole cost and expense, shall restore the Temporary Easement to the condition existing prior to Grantee's entry and use of the Temporary Easement. Grantee shall not leave any debris, waste, rubbish, or trash on or about the Temporary Easement or the Property. Grantee shall make all reasonable efforts to restore the Temporary Easement to the condition that existed prior to the granting of the Temporary Easement. Grantee shall repair any damage to the Temporary Easement caused by the activities of Grantee, its contractors, consultants, subcontractors, sub consultants, materialmen, suppliers, workers, successors, and assigns.

4. **Conduct of Work.** The Temporary Easement shall allow Grantee and its contractors, consultants, subcontractors, sub consultants, materialmen, suppliers, workers, successors, and assigns to use the Temporary Easement during the completion of the Project. Grantee shall use the Temporary Easement solely for the purpose described herein and for no other purpose. In no event may any use of the Temporary Easement by Grantee and its contractors, consultants, subcontractors, sub consultants, materialmen, suppliers, workers, successors, and assigns, violate any applicable law, rule or regulation relating to the Temporary Easement and Property, or materially impact Grantor's normal business operations on the Property.

Grantee shall indemnify and hold Grantor harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of Grantee and its contractors, consultants, subcontractors, sub consultants, materialmen, suppliers, workers, successors, and assigns thereof, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of Grantor or its employees, contractors or agents.

5. **Consent of Grantor.** Grantee warrants that no building, structure, or other above or below ground obstruction that may interfere with the purposes for which this Temporary Easement is granted may be placed, erected, installed or permitted upon the Temporary

Easement or Property without the written consent and approval of Grantor.

6. **Reservation of Right to Use.** Grantor reserves all rights attendant to its ownership of the Temporary Easement and Property, including but not limited to the use and enjoyment of the Temporary Easement for all purposes not inconsistent with the terms and conditions of this Agreement.

7. **Compliance with Laws.** Grantee shall comply with all federal, state, county, and municipal laws, statutes, regulations, and ordinances relating to the use and occupancy of the Temporary Easement.

8. **Insurance.** At all times during the term of this Agreement, Grantee or its agent(s) responsible for constructing the improvements shall, at their own cost and expense, keep in full force and effect the following insurance policies issued by companies licensed to engage in the insurance business in the State of South Carolina, and shall provide Grantor with Certificates of Insurance evidencing such insurance coverage naming the County as additional insured:

a. Workers' Compensation Insurance as mandated by state and federal law;
b. Commercial General Liability Insurance with limits of liability of not less than $2,000.000.00 each occurrence, naming Grantor as an additional insured;
c. Automobile Liability Insurance for bodily injury and property damage (including owned, non-owned, and hired vehicles) with limits of liability of not less than $2,000,000.00 each accident (combined single limit).

Grantee shall provide Grantor with at least thirty (30) days prior written notice of any cancellation or material alteration of the policies set forth in the Certificates of Insurance.

9. **Miscellaneous.**

a. **Governing Law.** This Agreement will be construed in accordance with and governed by the laws of the State of South Carolina. Any litigation arising under this Agreement shall be litigated only in a non-jury hearing in the Court of Common Pleas, Ninth Judicial Circuit, Charleston County, South Carolina.

b. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument.

c. **Notices.** All notices, demands, and any and all other communications which may be or are required to be given to or made by either Party to the other in connection with this Agreement shall be in writing and shall be deemed to have been properly given if sent (1) by registered or certified mail, return receipt requested, postage prepaid, (2) by reputable overnight courier delivery service, or (3) by facsimile with confirmation of receipt (followed by a copy mailed or delivered as aforesaid), addressed as set forth below to the persons entitled to receive the same or to such other addresses as may be specified by written notice and delivered in

accordance herewith. Any such notice, request, or other communication shall be considered given or delivered, as the case may be, on the date of deposit in the United States mail as provided above in the case of (1) above, on the day after the date of delivery to the overnight courier delivery service in the case of (2) above, or on the date of facsimile transmission in the case of (3) above, if sent by facsimile prior to 5:00 p.m. on a business day; otherwise, on the next business day. However, the time period within which a response to any notice or request must be given, if any, shall commence to run from the date of actual receipt of such notice, request, or other communication by the addressee thereof.

County:

Charleston County
Lonnie Hamilton, III Public Services Building
4045 Bridge View Drive
North Charleston, South Carolina 29405
Attention: Chairman Teddie E. Pryor, Sr.
Facsimile No: 843-958-4035

With a copy to:

Charleston County Department of Facilities
Lonnie Hamilton, III Public Services Building
4045 Bridge View Drive
North Charleston, South Carolina 29405
Attn: Walter Smalls
Facsimile No: 843-202-6914

Charleston County Attorney's Office
Lonnie Hamilton, III Public Services Building
4045 Bridge View Drive
North Charleston, South Carolina 29405
Attn: _____
Facsimile No: 843-958-4017

LID:

LID OZ I, LLC
c/o Core Property Capital
Tower Place 100
3340 Peachtree Road, Suite 1660
Atlanta, Georgia 30326
Attn: John Graham
Facsimile No: 404-504-8771

With a copy to:

Brian A. Hellman, Esquire
Hellman Yates & Tisdale
105 Broad Street, Third Floor
Charleston, South Carolina 29401
Facsimile No: 843-266-9188

d. **Third Party Beneficiaries.** Nothing in this Agreement, express or implied, is intended to confer upon any person other than the Parties and their heirs, executors, personal representatives, successors and assigns, any right or interest whatsoever.

e. **Successors and Assigns.** Grantee expressly agrees that this Agreement shall be binding upon and shall inure to the benefit of Grantee and Grantor, their respective successors, legal representatives and assigns. Except as provided in that Master Property Exchange Agreement and Other Matters Related Thereto between the Parties, Grantee may not transfer and assign its interest under this Agreement to an unrelated entity without the prior written consent of Grantor, which consent may be withheld for any reason or for no reason. Grantee may partially assign its rights under this Agreement and may assign its rights in their entirety provided that such assignee must be under common or related direct or indirect control with Grantee, and Grantee shall not be relieved of its obligations hereunder by way of such assignment or assignments. For the avoidance of doubt, it is understood and agreed that Grantee will likely assign this Agreement to one or more of its affiliates, and Grantor shall accept performance of any one such affiliate as being in satisfaction of the obligations of Grantee and all other Grantee affiliates under this Agreement.

f. **Non-waiver.** Any waiver of any default by either Party to this Agreement shall not constitute waiver of any subsequent default, nor shall it operate to require either Party to waive, or entitle either Party to a waiver of, any subsequent default hereunder.

g. **Severance.** Should any part of this Agreement be determined by a Court of competent jurisdiction to be invalid, illegal, or against public policy, said offending provision shall be void and of no effect and shall not render any other provision herein, nor this Agreement as a whole, invalid. Any terms which, by their nature, should survive the suspension, termination or expiration hereof shall be deemed to so survive.

h. **Time is of the essence.** Time is of the essence in this Agreement.

10. **Remedies.** In the event of a breach by any Party, the non-breaching Party shall have all remedies available at law or in equity, including the availability of injunctive relief. In any suit, action or appeal to enforce or interpret this Agreement, the prevailing Party shall be entitled to recover its costs incurred therein, including reasonable attorneys' fees and disbursements.

[*Signature pages to follow*]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties on the day and year first above written.

WITNESSES

Signature of Witness 1

Signature of Witness 2

COUNTY OF CHARLESTON, SC

By: _____
Teddie E. Pryor, Sr.
Its: Chairman of County Council

Date of Execution: 2-12-2021

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

Personally appeared before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within named County of Charleston, by Teddie Pryor, its Chairman, and Edward L. Kinsey, Jr. (as Witness 2), sign and seal the within written Temporary Construction Access Easement Agreement and as the act and deed of County of Charleston, deliver the same, and that (s)he with the other witness subscribed above witnessed the execution thereof.

SWORN to before me this
12th day of February, 2021.

_____ (SEAL)
Notary Public for South Carolina
My Commission Expires: 2·10·30

Signature of Witness 1

MELISSA PATEL
COM. EXP.
NOTARY
PUBLIC
02-10-2030
SOUTH CAROLINA

[*Signature pages to continue*]

WITNESSES

LID OZ I, LLC

By:_____
Its:

_____
Signature of Witness 1

Date of Execution: _____

_____
Signature of Witness 2

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within named LID OZ I, LLC, by _____, its _____, and _____, (as Witness 2), sign and seal the within written Temporary Construction Access Easement Agreement, and as the act and deed of LID OZ I, LLC, deliver the same, and that (s)he with the other witness subscribed above witnessed the execution thereof.

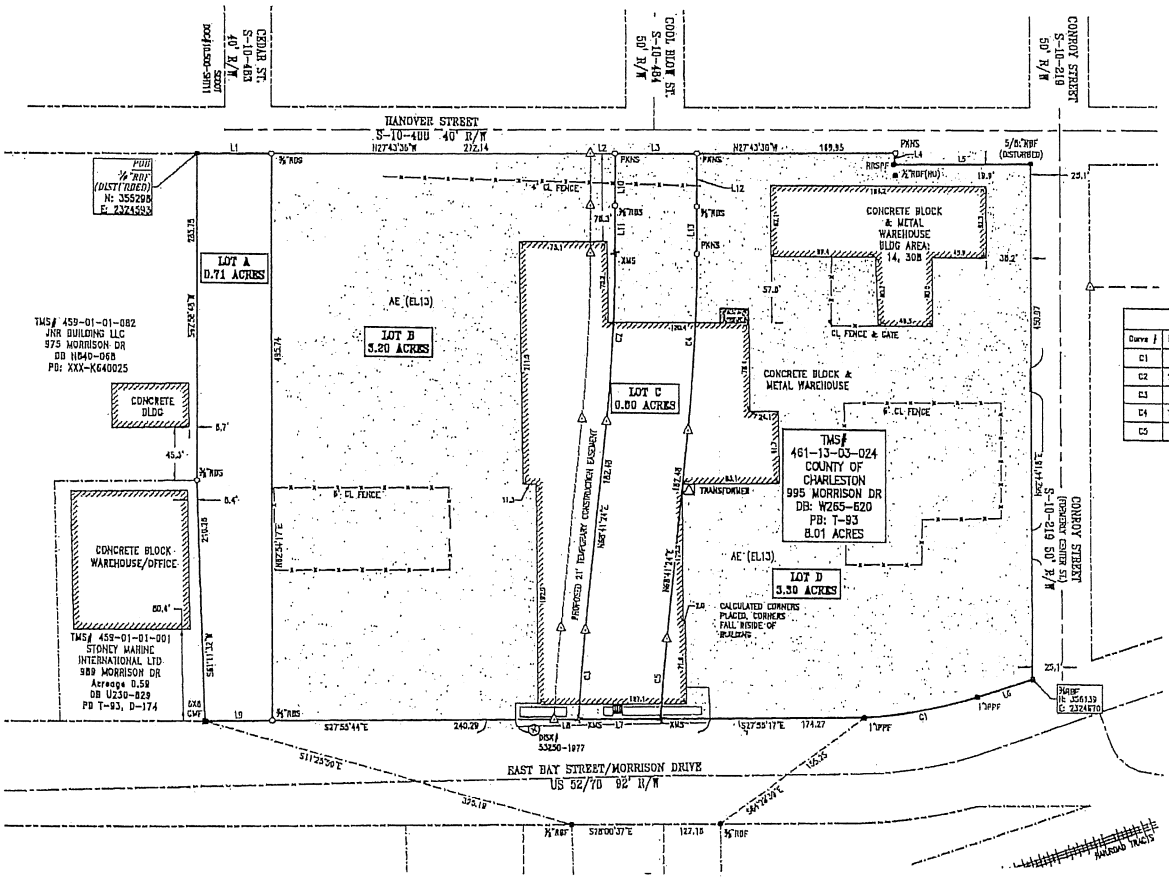
SWORN to before me this
12th day of February, 2021.

_____ (SEAL)
Notary Public for South Carolina
My Commission Expires: _____

_____
Signature of Witness 1

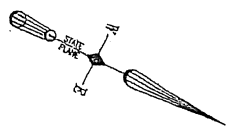
[End of *signature pages*]

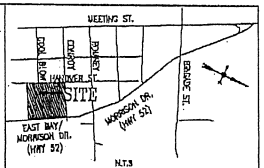
Exhibit A



Line Table		
Line #	Direction	Length
L1	N27°57'46"W	63.81
L2	N27°43'36"W	21.00
L3	N27°43'36"W	70.00
L4	N70°57'44"E	10.59
L5	N27°51'02"W	116.76
L6	S45°39'31"E	49.08
L7	S27°55'44"E	70.13
L8	S27°55'44"E	21.01
L9	S28°13'44"E	57.91

Curve Table					
Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C1	88.66	364.85	15°31'31"	S34°26'03"E	88.38
C2	147.48	1487.25	5°40'33"	N45°48'38"E	147.42
C3	78.46	1534.75	2°55'47"	N67°13'30"E	78.47
C4	154.52	1537.25	5°45'33"	N45°40'38"E	154.45
C5	70.39	1464.75	2°45'12"	N67°18'48"E	70.38





LOCATION MAP

GENERAL NOTES:

1. THE PURPOSE OF THIS PLAT IS TO SUBDIVIDE TMS# 461-13-03-024 INTO 4 LOTS & TO SHOW A PROPOSED TEMPORARY EASEMENT.
2. THIS PLAT SHOWS ONLY EASEMENTS WHICH ARE OBVIOUS OR APPARENT TO THE SURVEYOR.
3. STATE PLANE COORDINATES ARE FOR SCS PURPOSES ONLY.
4. ACCORDING TO THE U.S. ARMY CORPS OF ENGINEERS JURISDICTIONAL WETLAND DETERMINATIONS LETTER THERE ARE NO WETLANDS OR CRITICAL AREAS LOCATED ON THIS SITE AS PER SAC-2020-00101 DATED 3/04/2020.
5. BY GRAPHIC PLOTTING ONLY, THIS PROPERTY APPEARS TO BE IN FLOOD ZONE "AE-13", (NGVD 1929) AS SHOWN ON FLOOD INSURANCE RATE MAP #45019C0512J, EFFECTIVE DATE: 11/17/04, LOCATED IN COMMUNITY #155412.

REFERENCE PLAT BY:

			PLAT BOOK-PAGE
1.	S.L. LEWIS	APRIL, 1857	D - 174
2.	J.W. BARROT	JULY, 1864	C - 044
3.	CHARLESTON COUNTY GIS & RMC		
4.	CUMMINGS & MCCRADY INC. - 03/1884		T-093
5.	TMS#459-01-01-001 PROPERTY CARD		
6.	WM. C. BONCAU	NOV. 29, 1982	AX-23
7.	SCDOT 10.363(HANOVER) SHT8		
8.	SCDOT 10.383 (CEDAR)SHT0001		
9.	SCDOT 10.500(COOL BLOW ASOLT) SHT013.		
10.	SCDOT U-2573(1)325PUH PRT 2 (MORRISON DRIVE)		
11.	SCDOT 10.560 SHT007 (COOL BLOW)		
12.	SCDOT S-10-210 SHT 44 (CENTER)		

LEGEND

- PROPERTY LINE W/ CORNER (AS DESC.)
- RIGHT OF WAY LINE
- NEW TEMPORARY CONSTRUCTION EASEMENT
- CENTERLINE (PAVEMENT)
- FENCE
- CONCRETE/SIDEWALK HATCH
- ASPHALT HATCH
- BUILDING HATCH

SYMBOLS LEGEND

- △ CALCULATED POINT
- Ⓐ USGS MONUMENT

ABBREVIATION LEGEND

PKNF	PK NAIL FOUND
XMS	X-MARK SET
RBF	REBAR FOUND
IPPF	IRON PINCH PIPE FOUND
CMF	CONCRETE MONUMENT FOUND
PKNS	PK NAIL SET

I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "A" SURVEY AS SPECIFIED THEREIN. THE AREA WAS DETERMINED BY THE COORDINATE METHOD OF AREA DETERMINATION. THE PRECISION OF THE UNADJUSTED FIELD SURVEY WAS GREATER THAN 1:10,000.

SOUTH CAROLINA REGISTERED PROFESSIONAL LAND SURVEYOR MILTON P. MUCKENFUSS NO. 21231 Type A

SOUTH CAROLINA CERTIFICATE OF AUTHORIZATION DAVIS & FLOYD, INC. No. C00338

MILTON P. MUCKENFUSS – S.C.R.L.S. No. 21231 DATE

PLANNING AND RNC USE ONLY

PLAT

SHOWING THE SUBDIVISION
TMS# 461-13-00-024
OWNED BY
COUNTY OF CHARLESTON
AND CREATING
LOT A (0.71 ACRES), LOT B (3.20 ACRES),
LOT C (0.80 ACRES)
AND THE RESIDUAL
LOT D (3.30 ACRES)
LOCATED
CITY OF CHARLESTON
CHARLESTON COUNTY, SC
D&F JOB #: 31791.00

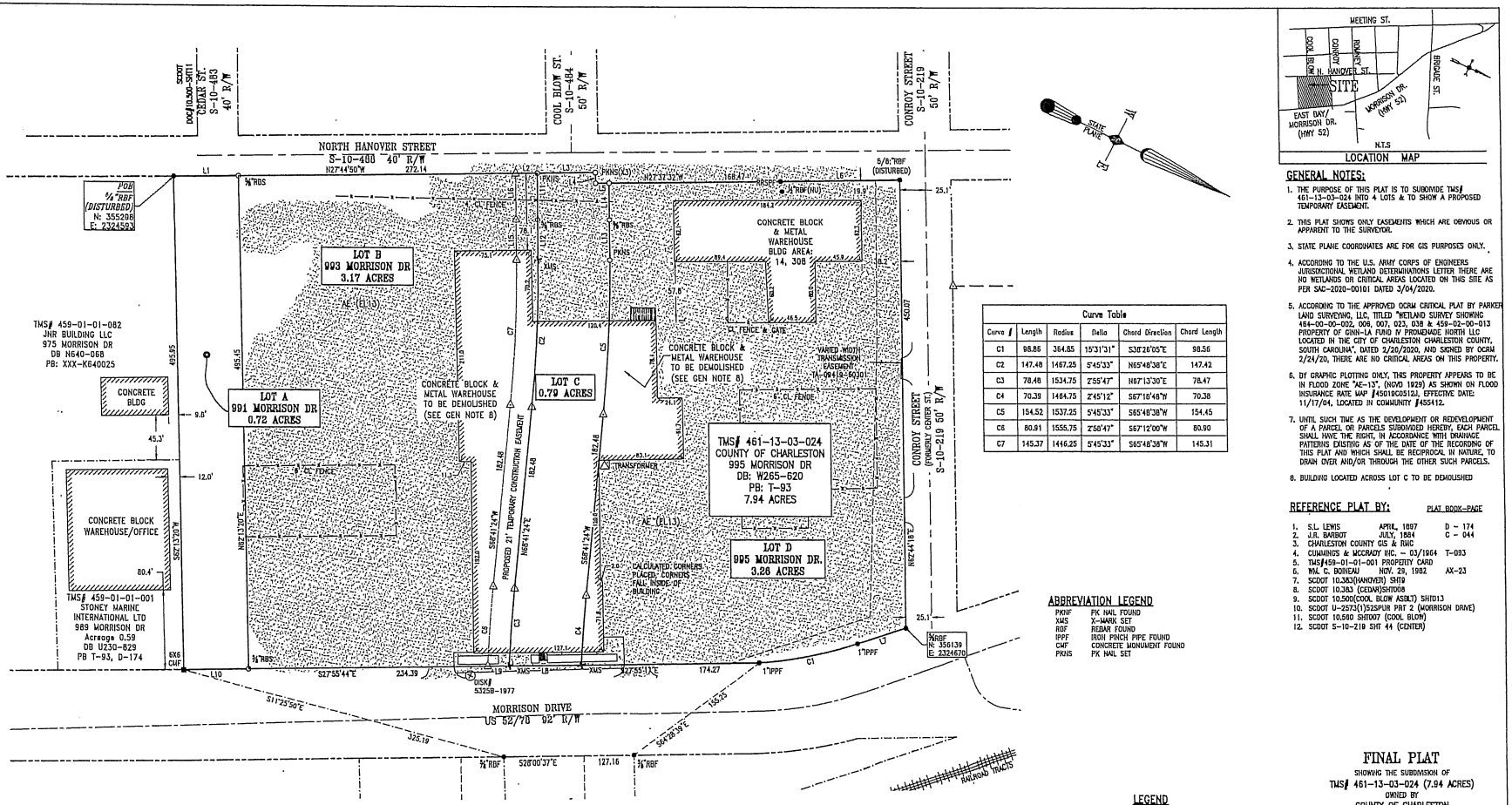
SCALE: 1" = 50' DATE: 12/01/2020
50 25 0 50 100

SHEET 01 of 01

DAVIS & FLOYD, INC
POST OFFICE BOX 61099
CHARLESTON, SC 29419
PHONE (843) 554-8602
MMACKENFUS@DAVISFLOYD.COM

ACAD DWG = C:\JOBSEVEN\31924-03\PRODUCTION\SURVEY\31924DD-995 MORRISON_12-2-2020.DWG, PLOTTED BY: MARTIN MONTGOMERY, PLOTTED: 14 DECEMBER 2020 - 14:32:50

4



LOCATION MAP

Line Table		
Line #	Direction	Length
L1	N27°44'50"W	63.81
L2	N27°44'50"W	21.00
L3	N27°44'50"W	58.66
L4	N62°07'09"E	10.03
L5	N27°37'32"W	13.20
L6	N27°51'02"W	116.76
L7	S45°39'31"E	49.88
L8	S27°55'44"E	70.15
L9	S27°55'44"E	21.04
L10	S28°12'08"E	63.81
L11	N62°55'51"E	48.64
L12	N62°55'51"E	41.36
L13	S62°55'51"W	41.36
L14	S62°55'51"W	37.41
L15	S62°55'51"W	41.36
L16	S62°55'51"W	46.39

Curve Table					
Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C1	98.86	364.85	15°31'31"	S30°26'05"E	98.56
C2	147.48	1467.25	5°45'33"	N65°48'38"E	147.42
C3	78.48	1534.75	2°55'47"	N67°13'30"E	78.47
C4	70.39	1484.75	2°43'12"	S67°10'48"W	70.38
C5	154.52	1537.25	5°45'33"	S65°48'38"W	154.45
C6	90.91	1555.75	3°20'47"	S67°12'00"W	90.90
C7	145.37	1446.25	5°45'33"	S65°48'38"W	145.31

GENERAL NOTES:

1. THE PURPOSE OF THIS PLAT IS TO SUBDIVIDE TMS# 461-13-03-024 INTO 4 LOTS & TO SHOW A PROPOSED TEMPORARY EASEMENT.
2. THIS PLAT SHOWS ONLY EASEMENTS WHICH ARE OBVIOUS OR APPARENT TO THE SURVEYOR.
3. STATE PLANE COORDINATES ARE FOR GIS PURPOSES ONLY.
4. ACCORDING TO THE U.S. ARMY CORPS OF ENGINEERS JURISDICTIONAL WETLAND DETERMINATIONS LETTER THERE ARE NO WETLANDS OR CRITICAL AREAS LOCATED ON THIS SITE AS PER SAC-2020-00101 DATED 3/04/2020.
5. ACCORDING TO THE APPROVED OCRM CRITICAL PLAT BY PARKER LAND SURVEYING, LLC. TITLED "WETLAND SURVEY SHOWING 484-00-00-002, 008, 007, 023, 038 & 459-02-00-013 PROPERTY OF GINN-LA FUND IV PROMENADE NORTH LLC LOCATED IN THE CITY OF CHARLESTON CHARLESTON COUNTY, SOUTH CAROLINA", DATED 2/20/2020, AND SIGNED BY OCRM 2/24/20, THERE ARE NO CRITICAL AREAS ON THIS PROPERTY.
6. BY GRAPHIC PLOTING ONLY, THIS PROPERTY APPEARS TO BE IN FLOOD ZONE "AE-13", (NAVD 1929) AS SHOWN ON FLOOD INSURANCE RATE MAP #45010C0512J, EFFECTIVE DATE: 11/17/04, LOCATED IN COMMUNITY #455412.
7. UNTIL SUCH TIME AS THE DEVELOPMENT OR REDEVELOPMENT OF A PARCEL OR PARCELS SUBDIVIDED HEREBY, EACH PARCEL SHALL HAVE THE RIGHT, IN ACCORDANCE WITH DRAINAGE PATTERNS EXISTING AS OF THE DATE OF THE RECORDING OF THIS PLAT AND WHICH SHALL BE RECIPROCAL IN NATURE, TO DRAIN OVER AND/OR THROUGH THE OTHER SUCH PARCELS.
8. BUILDING LOCATED ACROSS LOT C TO BE DEMOLISHED

REFERENCE PLAT BY:

		PLAT BOOK–PAGE
1. S.L. LEWIS	APRIL, 1897	D – 174
2. J.R. BARBOT	JULY, 1884	C – 044
3. CHARLESTON COUNTY GIS & RWC		
4. CUMMINGS & MCCRADY INC. – 03/1964		T-093
5. TMS#459-01-01-001 PROPERTY CARD		
6. WM. C. BONNEAU	NOV. 29, 1982	AX-23
7. SCDOT 10.383(HANOVER) SHT9		
8. SCDOT 10.383 (CEDAR)SHT008		
9. SCDOT 10.500(COOL BLOW ASBLT) SHT013		
10. SCDOT U-2573(1)SASPUR PRT 2 (MORRISON DRIVE)		
11. SCDOT 10.560 SHT007 (COOL BLOW)		
12. SCDOT S-10-219 SHT 44 (CENTER)		

ABBREVIATION LEGEND

PKNF	PK NAIL FOUND
XMS	X-MARK SET
RBF	REBAR FOUND
IPPF	IRON PINCH PIPE FOUND
CMF	CONCRETE MONUMENT FOUND
PKNS	PK NAIL SET

LEGEND

- PROPERTY LINE W/ CORNER (AS DESC.)
- RIGHT OF WAY LINE
- NEW TEMPORARY CONSTRUCTION EASEMENT
- CENTERLINE (PAVEMENT)
- FENCE
- CONCRETE/SIDEWALK HATCH
- ASPHALT HATCH
- BUILDING HATCH

SYMBOLS LEGEND

- △ CALCULATED POINT
- ⓥ USGS MONUMENT

PLANNING AND RMC USE ONLY

PLANNING USE ONLY
ENGINEERING DIVISION
CITY OF CHARLESTON
DATE PLAT APPROVED:
APPROVED BY CITY ENGINEER:
APPROVED BY: FOR CITY ENGINEER

RECORDED
DATE: 3/4/2021 TIME: 2:11:30 PM
Book/Page: L21 0038 Doc Type: Large Plat
Michael Miller, Register, Charleston County, SC
Record Fee $10.00
Postage $10.00
TOTAL $20.00
Drawer
Clerk
Rec'd By: CITY OF CHARLESTON
ATTENTION: DANA
Location: MORRISON DRIVE

BY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR S THE REQUIREMENTS FOR A CLASS "A" SURVEY AS SPECIFIED 4. THE AREA WAS DETERMINED BY THE COORDINATE METHOD OF ETERMINATION. THE PRECISION OF THE UNADJUSTED FIELD SURVEY EATER THAN 1:10,000.

SOUTH CAROLINA PROFESSIONAL ENGINEER TIER A No. 21627
DAVIS & FLOYD, INC. No. C00538 CERTIFICATE OF AUTHORIZATION
SOUTH CAROLINA PROFESSIONAL LAND SURVEYOR No. 21627
THOMAS R. STANAI
THEMES – S.C.P.L.S. No. 21627 DATE: 2/24/21

FINAL PLAT

SHOWING THE SUBDIVISION OF
TMS# 461-13-03-024 (7.94 ACRES)
OWNED BY
COUNTY OF CHARLESTON
AND CREATING
LOT A (0.72 ACRES), LOT B (3.17 ACRES),
LOT C (0.79 ACRES)
AND THE RESIDUAL
LOT D (3.26 ACRES)
LOCATED
CITY OF CHARLESTON
CHARLESTON COUNTY, SC
D&F JOB #: 31924.00

REVISED DATE: 01/25/2021
REVISED DATE: 01/21/2021
DATE: 01/07/2021

SCALE: 1" = 50'
50 25 0 50 100

SHEET 01 of 01

REVISION:
a. AREA REVISED FOR LOT A & B (ALIGNMENT REVISED TO COINCIDE WITH OUTSIDE BOUNDARY ON 01/21/2021)
b. REVISED & ADDED NOTE 5 & 7 (1/25/2021)

DAVIS & FLOYD, INC
POST OFFICE BOX 51699
CHARLESTON, SC 29419
PHONE (843) 554-8602
KTHEYES@DAVISFLOYD.COM

ACAD DWG – C:\JOBSEVEN\31924-00\PRODUCTION\SURVEY\31924-00-995 MORRISONPLAT_1-21-2020.DWG, PLOTTED BY: MARTHA MONTGOMERY, PLOTTED: 01 FEBRUARY 2021 – 11:10:48

5

ALTA / NSPS LAND TITLE SURVEY

of

TITLE TO THE FEE SIMPLE ESTATE OR INTEREST IN THE LAND IS AT THE EFFECTIVE DATE VESTED IN: 990/995 MORRISON DRIVE

Source of Title: FIRST AMERICAN TITLE INSURANCE

Schedule B, Section II EXCEPTIONS FROM TITLE INSURANCE COMMITMENT

File No.: 8133-4176704

Commitment Date: February 2, 2021 @ 4:00 PM

SCHEDULE B – SECTION II EXCEPTIONS

AS TO PARCEL TWO (995 Morrison):

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:
NOTE: Exception Numbered 1-6 above will be hereby deleted upon issuance of the Loan Policy Only.

Parcel Two, Ex. 7. [INTENTIONALLY DELETED]

Parcel Two, Ex. 8. Taxes and assessments for the year 2021 and subsequent years, not yet due and payable.
NOT A SURVEY MATTER

Parcel Two, Ex. 9. Easement from the Paul Molar Company, Inc. in favor of South Carolina Electric and Gas Company dated July 20, 1966, and recorded August 2, 1966, in book B08, at Page 378 in the Register of Deeds Office for Charleston County, South Carolina. *GENERAL LOCATION SHOWN*

Parcel Two, Ex. 10. Easement from the Paul Molar Company, Inc. in favor of South Carolina Electric and Gas Company dated June 15, 1966, and recorded July 5, 1966, in Book X85 at Page 240 in said ROD Office.
AFFECTS THE PROPERTY AS PLOTTED

Parcel Two, Ex. 11. Any right, title or interest of anyone whomever in any of the land below the mean high water mark or below the spring tide flood water boundary, marsh (whether salt or fresh), lagoon, man-made canal, swamp areas, or any tidal area below the mean high water mark, or the spring tide flood water boundary, or to any such areas as may be claimed by or over which jurisdiction is asserted by any local, state or national governmental entity or quasi- governmental entity. The Company does not insure riparian rights, nor does it insure title to the portion of the land which lies below the mean high water mark of rivers, creeks or ocean, nor title to any portion of the land that may be accreted as defined in the Coastal Tidelands and Wetlands Act, Section 48-39-10 et seq. of the South Carolina Code of Laws, 1976, as amended.
MAY AFFECT THE PROPERTY AS PLOTTED

Parcel Two, Ex. 12. Rights of tenants now in possession under unrecorded leases.
NOT A SURVEY MATTER

Parcel Two, Ex. 13. The amount of acreage contained in the land described herein.
AFFECTS THE PROPERTY AS PLOTTED

Parcel Two, Ex. 14. The Company insures the insured as to the location of the boundary lines of the land, but does not insure the engineering calculations in compiling the amount of acreage contained therein.
AFFECTS THE PROPERTY AS PLOTTED

Parcel Two, Ex. 15. Unrecorded encroachment permit #2019-84 between the County of Charleston and Dominion Energy dated as of April 30, 2019; *DOES NOT AFFECT THE PROPERTY*

Parcel Two, Ex. 16. Rights retained in that certain deed from County of Charleston to Laurel Island Development, LLC to occupy the Land identified as Parcel Two in Schedule A for up to three hundred (300) days after conveyance, said deed is dated February 2021, and recorded February 2021, in Book at Page in the Register of Deeds Office for Charleston County, South Carolina. *DOCUMENT NOT FURNISHED TO THE SURVEYOR*

Parcel Two, Ex. 17. The rights of each parcel, in accordance with drainage patterns existing as of the date of the recording of the Subdivision Plat and which shall be reciprocal in nature, to drain over and/or through the other such parcels until such time as the development or redevelopment of a parcel or parcels subdivided as shown in the Subdivision Plat. *AFFECTS THE PROPERTY, BLANKET IN NATURE*

Parcel Two, Ex. 18. The following matters shown on the Subdivision Plat:

a. Concrete Block & Metal Warehouse to be Demolished-*AFFECTS THE PROPERTY AS PLOTTED*

Curve Table					
Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C2	98.86	364.85	15°31'31"	S38°26'05"E	98.56
C3	78.48	1534.75	2°55'47"	S67°13'30"W	78.47
C4	147.48	1487.25	5°40'33"	S65°48'38"W	147.42
C5	154.52	1537.25	5°45'33"	S65°48'38"W	154.45
C8	70.39	1464.75	2°45'12"	N67°18'48"E	70.38

Line Table		
Line #	Direction	Length
L1	S45°39'31"E	49.88
L1	S45°39'31"E	49.88
L2	N62°07'09"E	10.03
L2	N27°55'44"W	70.15
L3	N27°37'32"W	181.87
L3	S27°55'44"E	21.04
L4	S28°12'06"E	83.81
L5	N27°44'50"W	83.81
L6	N27°51'02"W	118.76
L6	S27°44'50"E	56.88
L7	S62°07'09"W	10.03
L8	S27°37'32"E	13.20
L9	S69°08'58"W	10.08
L10	S27°44'47"E	180.13
L11	S62°55'51"W	41.38
L12	S62°55'51"W	46.64
L13	S62°55'51"W	37.41
L14	S62°55'51"W	41.38

To: BUYER (UD OZ I, LLC), LENDER (RENASANT BANK), FIRST AMERICAN TITLE INSURANCE CO., KING STREET TITLE, LLC, AND HELLMAN YATES & TISDALE, P.A.:

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes items 1, 2, 3, and 4 of Table A from US Mortgages Survey Requirements of Table A thereof. The fieldwork was completed on 1/07/2021.

Date of Plat or Map: 2/15/2021

SOUTH CAROLINA PROFESSIONAL ENGINEER — KEVIN THEMES — No. 21627 — STATE OF SOUTH CAROLINA

SOUTH CAROLINA CERTIFICATE OF AUTHORIZATION — DAVIS & FLOYD, INC. — No. C00536

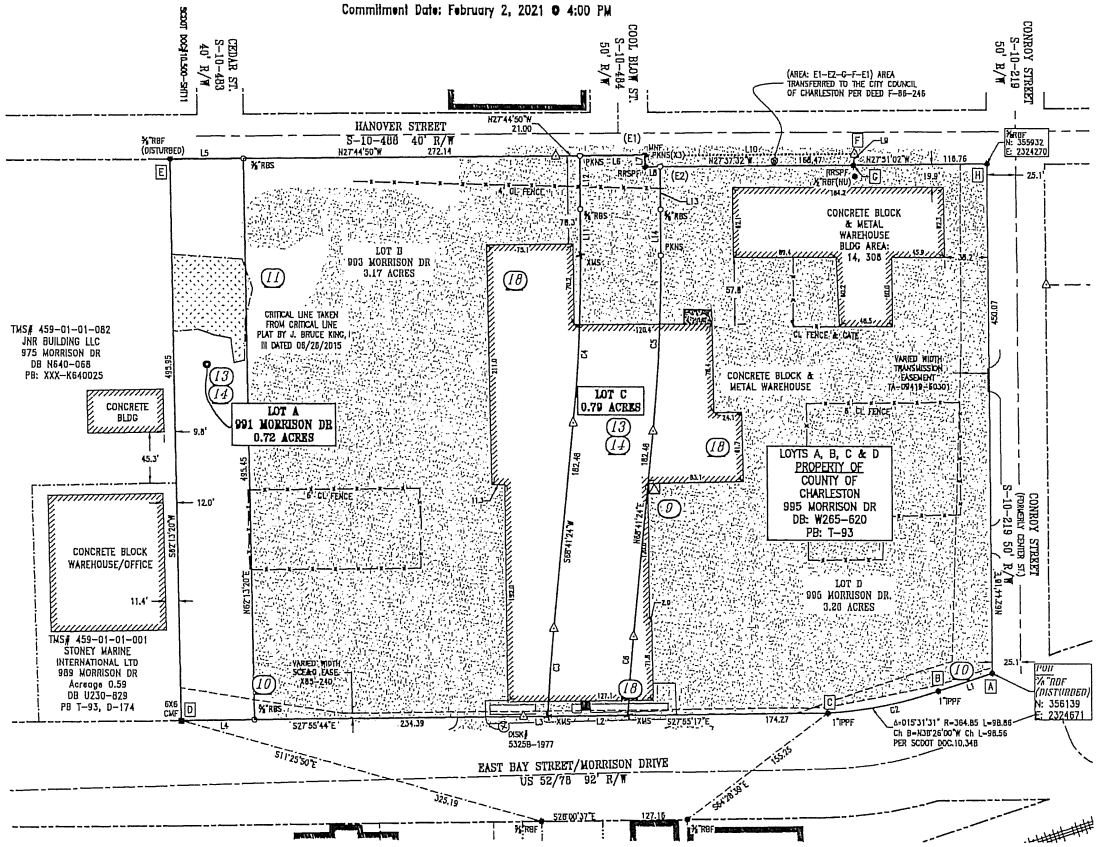
KEVIN THEMES – S.C.P.L.S. No. 21627 DATE:

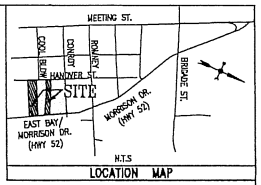
LEGAL DESCRIPTION

Issuing Office File Number: 04310

PARCEL TWO (995 Morrison):

ALL that lot, piece or parcel of land, situate, lying and being on the southwestern side of Morrison Drive in the City and County of Charleston, State of South Carolina, shown and designated as Lot A and Lot C, measuring and containing 0.71 acres (Lot A) and 0.80 acres (Lot C), on a plat entitled "PLAT SHOWING THE SUBDIVISION TMS #461-13-00-024 OWNED BY CHARLESTON COUNTY AND CREATING LOT A (0.71 ACRES), LOT B (3.20 ACRES), LOT C (0.80 ACRES), AND THE RESIDUAL LOT D (3.30 ACRES) LOCATED CITY OF CHARLESTON CHARLESTON COUNTY, SC" drawn by Davis & Floyd, Inc. dated January 7, 2021, and last revised January 25, 2021, and recorded Feb. 4, 2021, in Plat Book L21 ,at Page 38,in the Register of Deeds Office for Charleston County, South Carolina (the "Subdivision Plat"), and more fully shown on the aforesaid plat.
Said parcel has such sizes, shapes, metes, buttings, and boundings as is shown on said plat, which said plat is incorporated into this description and made a part and parcel hereof by reference thereto.





LOCATION MAP

GENERAL NOTES:

1. STATE PLANE COORDINATES ARE FOR GIS PURPOSES ONLY.
2. ACCORDING TO THE U.S. ARMY CORPS OF ENGINEERS JURISDICTIONAL WETLAND DETERMINATIONS LETTER THERE ARE NO WETLANDS OR CRITICAL AREAS LOCATED ON THIS SITE AS PER SAC-2020-00101 DATED 3/04/2020.
3. BY GRAPHIC PLOTTING ONLY, THIS PROPERTY APPEARS TO BE IN FLOOD ZONE "AE-12", (NAVD 88) AS SHOWN ON FLOOD INSURANCE RATE MAP #45019C0512K, EFFECTIVE DATE: 1/29/21, LOCATED IN COMMUNITY #45541Z.

REFERENCE PLAT BY:

			PLAT BOOK-PAGE
1.	S.L. LEWIS	APRIL, 1897	D – 174
2.	J.R. BARSOT	JULY, 1884	C – 044
3.	CHARLESTON COUNTY GIS & RMC		
4.	CUMMINGS & MCGRADY INC. – 03/1964		T-093
5.	TMS#459-01-01-001 PROPERTY CARD		
6.	WM. C. BORIEAU	NOV. 29, 1982	AX-23
7.	J. BRUCE KING, II	08/28/2015	UNRECORDED
8.	DEED BOOK R16-246 07/1886		
9.	SCDOT 10.363(HANOVER) SHT9		
10.	SCDOT 10.383 (CEDAR)SHT008		
11.	SCDOT 10.500(COOL BLOW ASBLT) SHT013		
12.	SCDOT U-2573(1)525UR PHT 2 (MORRISON DRIVE)		
13.	SCDOT 10.560 SHT007 (COOL BLOW)		
14.	SCDOT S-10-219 SHT 44 (CENTER)		

LEGEND

- PROPERTY LINE W/ CORNER (AS DESC.)
- RIGHT OF WAY LINE
- NEW TEMPORARY CONSTRUCTION EASEMENT
- CENTERLINE (PAVEMENT)
- FENCE
- CONCRETE/SIDEWALK HATCH
- ASPHALT HATCH
- BUILDING HATCH

ABBREVIATION LEGEND

PKNF	PK NAIL FOUND
RBF	REBAR FOUND
IPPF	IRON PINCH PIPE FOUND
CMF	CONCRETE MONUMENT FOUND
MNF	MAGNETIC NAIL FOUND

SYMBOLS LEGEND

- △ CALCULATED POINT
- ⊗ USGS MONUMENT
- [A] LETTERS CALLED OUT ON PLAT TB3-421 & IN LEGAL DESCRIPTION
- (E1) NEW LETTERS NOT CALLED OUT ON PLAT TB3-421 & IN LEGAL DESCRIPTION
- (10) NUMBERS CALLED OUT ON EXCEPTIONS

50 25 0 50 100

SCALE: 1" = 50'

DAVIS & FLOYD, INC
POST OFFICE BOX 61599
CHARLESTON, SC 29419
PHONE (843) 554-8602

D&F JOB #: 31924.00

SHEET 1 of 1

KTHEMES@DAVISFLOYD.COM

ACAD DWG. – D:\JOBSEVEN\31924-00\PRODUCTION\SURVEY\3192400-ALTA_995 MORRISONTRACT A-C.DWG – PLOTTED: 11 February 2021 – 17:42:23 PLOTTED BY: MARTHA MONTGOMERY

EXHIBIT B

Personal Property

Seller has no known furniture, fixtures, equipment, machinery, or tools or any other tangible or intangible personal property located on the Property.

EXHIBIT C
Leases

Property is not encumbered by any existing leases.

EXHIBIT D
Service Contracts

Property is not encumbered with any service contracts, agreements, contracts, licenses or permits.

City of Charleston

WILLIAM S. COGSWELL, JR.
MAYOR

October 22, 2025

Hon. Kylon Middleton
Charleston County Council
4045 Bridge View Dr.
North Charleston, SC 29405
VIA EMAIL

RE: 995 & 993 Morrison Drive

Mr. Chairman:

Attached is a copy of a recent appraisal that we received for 995 & 993 Morrison Drive. Since the "as is" value came in lower than the current price in the Purchase and Sale Agreement (PSA), I asked the appraiser to run two additional scenarios as well as review the appraisal the County had done to determine why they are different. A summary of this is included in the attached.

Regarding the different scenarios, a major difference between what your appraiser reviewed, and the assumptions made by ours has to do with the current zoning, specifically the Tech Overlay (Overlay) that was put into place over 10 years ago.

As you know, the Overlay restricts the amount of residential that can be developed on site, which, coupled with the Laurel Island PUD restrictions reduces the overall value. I appreciate that we, as the City, have the ability to change this through our public process, but we also have a responsibility to ensure that anything we change it to will need to be supported by our collective constituents. Still, since this I know is a point of contention, I asked our appraiser to give a value that assumes the Tech Overlay is removed with no housing restrictions except for what is currently required in the Laurel Island PUD, as well as a value without the Overlay but including the agreed upon restrictions for affordability. Both were below the current purchase price, one slightly, and the other significantly.

P.O. BOX 652, CHARLESTON, SOUTH CAROLINA 29402
843-724-3737 COGSWELLW@CHARLESTON-SC.GOV

I believe I speak for City Council when I say we are committed to seeing this purchase through and ensuring what goes on this site is something we can all be proud of. This is a major component of our affordability plan, and I am hopeful that we can get this resolved in short order. To that end I recommend our two appraisers get together to determine a mutually agreed upon value that assumes no Overlay but at least 30% of any residential units be permanently restricted to an equal range of affordability from 60, 80, and 100% of AMI. This is less than what we are intending to do, but at least it will give you added value. We, in turn, would still commit the full $30M in funding, but whatever the difference is between the new price the appraisers come up with and the current one, we will spend directly on affordable housing either on site or as part of a partnership we are working on with the Charleston Housing Authority.

I will of course need to get my Council's approval but wanted to get this to you in advance for your thoughts and consideration.

Sincerely,

William Cogswell

P.O. Box 652, Charleston, South Carolina 29402
843-724-3737 Cogswellw@charleston-sc.gov

Phish Alert | Share to Teams | Zoom | Pin / Unpin

993 + 995 Morrison Drive__Letter to Chairman Middleton 10.22.2025

MJ

Martin, Josh

Reply | Reply all | Forward

To: Kylon J. Middleton <kmiddleton@charlestoncounty.org>; Bill L. Tuten <btuten@charlestoncounty.org>; **+4 others**

Wed 10/22/2025 7:35 PM

High importance

You forwarded this message on Wed 10/22/2025 7:37 PM

View conversation

RVSD 10-8-24 995 Morrison ... 9 MB

SC01-25-0761-000 Industrial... 6 MB

SC01-25-0761-000 Industrial... 7 MB

Show all 5 attachments (25 MB) | Save all to OneDrive - City of Charleston | Download all

Chairman Middleton:

Good evening. I hope this email finds you safe and well.

Attached, please find a letter from Mayor Cogswell regarding 993 + 995 Morrison Drive.

Also, attached, please find the supplementary information reference in the attached letter to you:

- Charleston County Appraisal dated October 8, 2024;
- City of Charleston Appraisals dated August 25, 2025, and October 3, 2025; and
- City of Charleston Review of the Charleston County October 8, 2024, Appraisal, dated September 16, 2025.

Please note that the fourth paragraph in the Mayor’s letter to you references the Affordable Housing Section of the original Letter of Intent and removes the 20% requirement of housing not to exceed 120% AMI in preparation for establishing the joint appraised value referenced in the Mayor’s letter to you.

If you have any questions, please let us know.

Have a wonderful evening!

Integra Realty Resources
Charleston

Appraisal of Real Property

Charleston County Properties
Vacant Land
995 Morrison Drive
Charleston, Charleston County, South Carolina 29403

Prepared For:
County of Charleston

Date of the Report:
October 8, 2024

Report Format:
Appraisal Report

IRR - Charleston
File Number: 174-2024-0389

Subject Photographs

Charleston County Properties
995 Morrison Drive
Charleston, South Carolina

Aerial Photograph

Integra Realty Resources
Atlanta | Charlotte | Raleigh | Richmond
Birmingham | Columbia | Greensboro | Charleston

11-C Isabella Street
Charleston, SC 29403

T 843.718.2125
F 843.718.2058
www.irr.com

October 8, 2024

Mr. Phil Sabatino, CFM
Facilities Management Director
County of Charleston
4045 Bridge View Drive
North Charleston, SC 29405

SUBJECT: Market Value Appraisal
Charleston County Properties
995 Morrison Drive
Charleston, Charleston County, South Carolina 29403
IRR - Charleston File No. 174-2024-0389

Dear Mr. Sabatino:

Integra Realty Resources – Charleston is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop the following opinions of value:

Values Reported		
Scenario	Interest Appraised	Effective Date
1. Subject divided into two parcels		
Parcel B	Fee Simple	9/26/2024
Parcel D	Fee Simple	9/26/2024
2. Subject dividved into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H	Fee Simple	9/26/2024
3. Subject divided into two parcels		
Parcel B - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
Parcel D - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
4. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
5. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
6. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G - 1.41 Acres	Fee Simple	9/26/2024
Parcel H - 1.88 acres Affordable Housing	Fee Simple	9/26/2024

The client for the assignment is County of Charleston. The intended user of this report is the client. The intended use of the report is for property disposition purposes. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

The subject consists of two individual parcels which together contain an area of 6.50 acres or 283,140 square feet. The existing improvements are an underutilization of the land and offer no contributing value. The property is zoned PUD, Planned Unit Development, which permits most commercial and residential uses. Any specific development must be approved.

It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the affordable housing deed restrictions above assumes no favorable financing, tax credits or incentives.

The subject property is divided into either two or four parcels depending upon the valuation scenario requested by the client as summarized in the following chart.

Property Summary				
Parcel	Tax Map Number	Size (Acres)	Size (SF)	Comments
Value Scenarios 1 and 3				
Lot B	461-13-03-101	3.20	139,392	Contains 0.23 acre/10,221 SF temporary construction easement
Lot D	461-13-03-024	3.30	143,748	
Total		6.50	283,140	
Value Scenarios 2, 4 and 5				
Lot E	461-13-03-101 (Portion)	1.53	66,647	Contains temporary construction easement
Lot F	461-13-03-101 (Portion)	1.67	72,745	Contains temporary construction easement
Lot G	461-13-03-024 (Portion)	1.65	71,874	
Lot H	461-13-03-024 (Portion)	1.65	71,874	
Total		6.50	283,140	
Value Scenario 6				
Lot E	461-13-03-101 (Portion)	1.53	66,647	Contains temporary construction easement
Lot F	461-13-03-101 (Portion)	1.67	72,745	Contains temporary construction easement
Lot G	461-13-03-024 (Portion)	1.42	61,855	
Lot H	461-13-03-024 (Portion)	1.88	81,893	
Total		6.50	283,140	

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, applicable state appraisal regulations.

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinions of value are as follows:

Value Conclusions

Scenario	Interest Appraised	Effective Date	Value Conclusion
1. Subject divided into two parcels			
Parcel B	Fee Simple	9/26/2024	$18,120,000
Parcel D	Fee Simple	9/26/2024	$19,410,000
2. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H	Fee Simple	9/26/2024	$10,060,000
3. Subject divided into two parcels			
Parcel B - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$11,850,000
Parcel D - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$12,940,000
4. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,830,000
5. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,180,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,830,000
6. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G - 1.41 Acres	Fee Simple	9/26/2024	$8,660,000
Parcel H - 1.88 acres Affordable Housing	Fee Simple	9/26/2024	$7,780,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. We assume that the information provided for the subject property is accurate.
2. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption.
3. It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the deed restrictions above assumes no favorable financing, tax credits or incentives.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. There were no hypothetical conditions utilized.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Charleston

Scott B. Johnstone, MAI
South Carolina State Certified General Real
Estate Appraiser #CG 3627
Telephone: 843.718.2125, ext. 11
Email: sjohnstone@irr.com

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Executive Summary

Property Name	Charleston County Properties
Address	995 Morrison Drive
	Charleston, Charleston County, South Carolina 29403
Property Type	Land - Mixed Use
Owner of Record	County of Charleston
Tax ID	461-13-03-101 and 461-13-03-024
Legal Description	Lots B and D
Land Area	6.50 acres; 283,140 SF
Zoning Designation	PUD (Laurel Island), Planned Unit Development
Highest and Best Use	Mixed use
Exposure Time; Marketing Period	12 months; 12 months
Date of the Report	October 8, 2024

Value Conclusions

Scenario	Interest Appraised	Effective Date	Value Conclusion
1. Subject divided into two parcels			
Parcel B	Fee Simple	9/26/2024	$18,120,000
Parcel D	Fee Simple	9/26/2024	$19,410,000
2. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H	Fee Simple	9/26/2024	$10,060,000
3. Subject divided into two parcels			
Parcel B - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$11,850,000
Parcel D - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$12,940,000
4. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,830,000
5. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,180,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,830,000
6. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G - 1.41 Acres	Fee Simple	9/26/2024	$8,660,000
Parcel H - 1.88 acres Affordable Housing	Fee Simple	9/26/2024	$7,780,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. We assume that the information provided for the subject property is accurate.
2. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption.
3. It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the deed restrictions above assumes no favorable financing, tax credits or incentives.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. There were no hypothetical conditions utilized.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Identification of the Appraisal Problem

Subject Description

The subject consists of two individual parcels which together contain an area of 6.50 acres or 283,140 square feet. The existing improvements are an underutilization of the land and offer no contributing value. The property is zoned PUD, Planned Unit Development, which permits most commercial and residential uses. Any specific development must be approved. A legal description of the property is provided in the addenda.

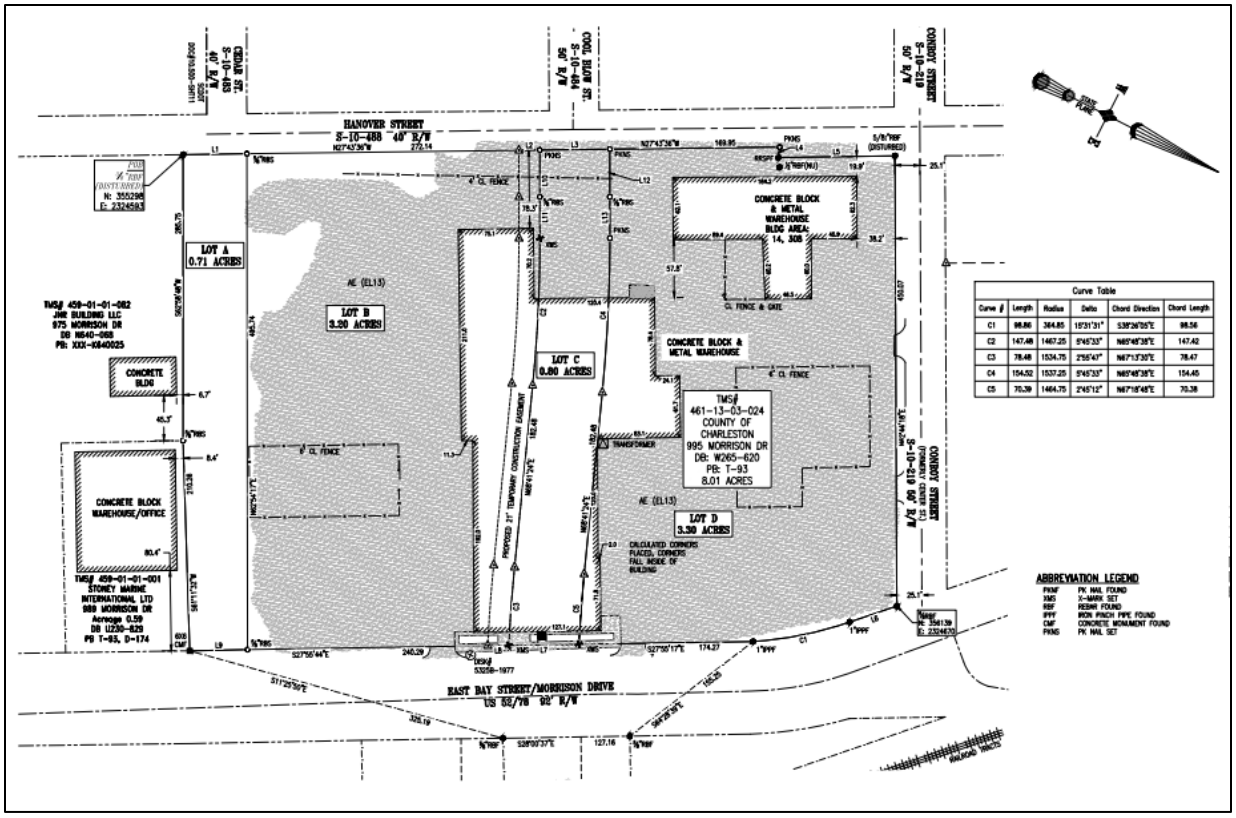
The subject property is divided into either two or four parcels depending upon the valuation scenario requested by the client as summarized in the following chart.

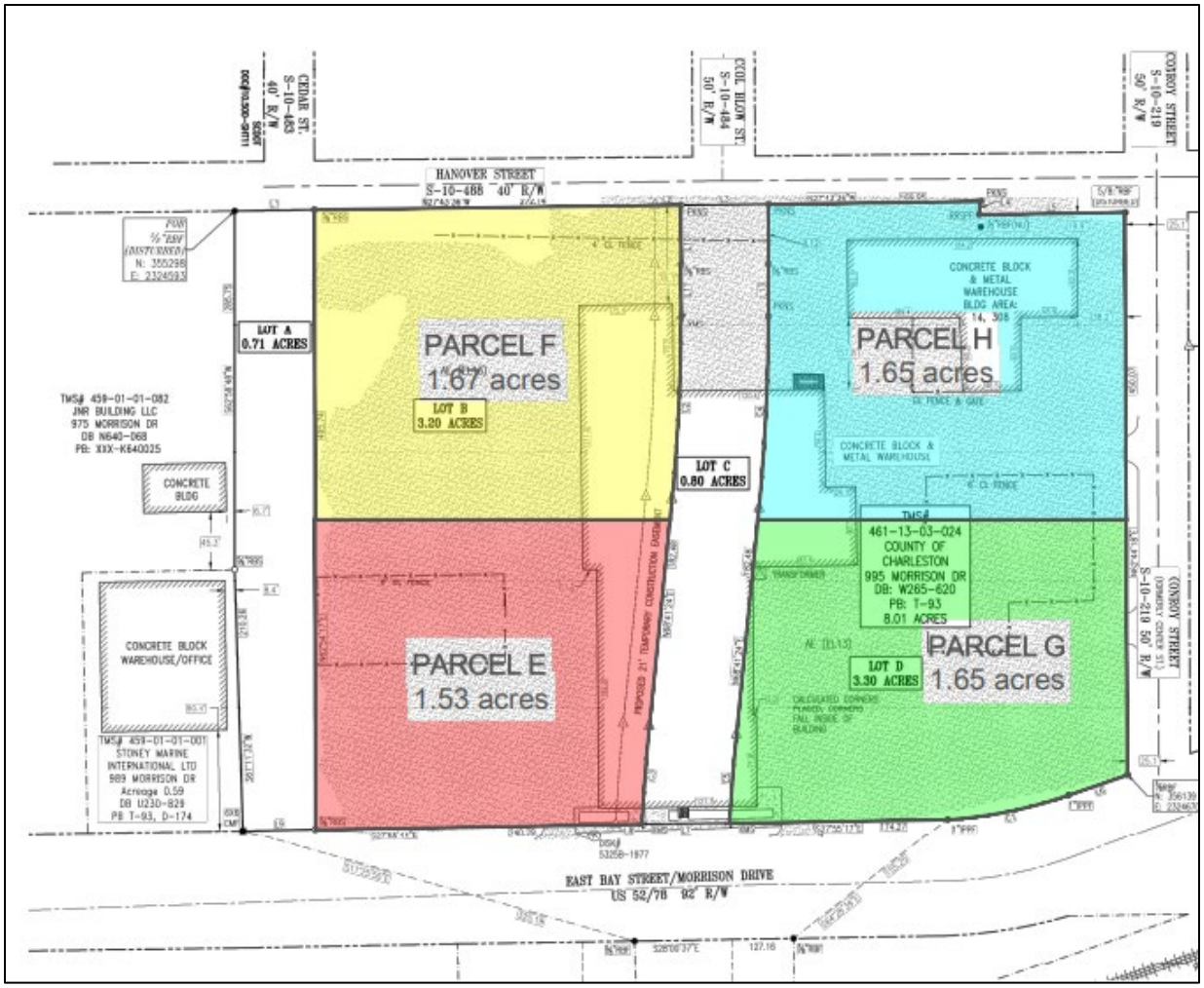
Property Summary				
Parcel	Tax Map Number	Size (Acres)	Size (SF)	Comments
Value Scenarios 1 and 3				
Lot B	461-13-03-101	3.20	139,392	Contains 0.23 acre/10,221 SF temporary construction easement
Lot D	461-13-03-024	3.30	143,748	
Total		6.50	283,140	
Value Scenarios 2, 4 and 5				
Lot E	461-13-03-101 (Portion)	1.53	66,647	Contains temporary construction easement
Lot F	461-13-03-101 (Portion)	1.67	72,745	Contains temporary construction easement
Lot G	461-13-03-024 (Portion)	1.65	71,874	
Lot H	461-13-03-024 (Portion)	1.65	71,874	
Total		6.50	283,140	
Value Scenario 6				
Lot E	461-13-03-101 (Portion)	1.53	66,647	Contains temporary construction easement
Lot F	461-13-03-101 (Portion)	1.67	72,745	Contains temporary construction easement
Lot G	461-13-03-024 (Portion)	1.42	61,855	
Lot H	461-13-03-024 (Portion)	1.88	81,893	
Total		6.50	283,140	

Both Lot B and Lot D were subdivided from a larger parent parcel when the developers of Laurel Island purchased Lots A and C for development of a bridge to that development. A survey of the property is shown on the following page.

In several of the valuation scenarios, the subject is divided into four parcels, Parcels E, F, G and H. A survey of the property as 4 parcels is shown on Page 5.

The survey depicts a temporary construction easement along the northern boundary of Lot B adjacent to the proposed roadway/bridge to Laurel Island. Per the client, this easement has not been considered in the valuation analysis.


HANOVER STREET
S-10-488 40' R/W
LOT A
0.71 ACRES
LOT B
3.30 ACRES
LOT C
0.80 ACRES
LOT D
3.30 ACRES
CONCRETE BLOCK & METAL WAREHOUSE BLDG AREA: 14, 308
CONCRETE BLOCK & METAL WAREHOUSE
CONCRETE BLDG
CONCRETE BLOCK WAREHOUSE/OFFICE
TMS# 461-13-03-024
COUNTY OF CHARLESTON
995 MORRISON DR
DB: W265-620
PB: T-93
8.01 ACRES
TMS# 459-01-01-082
JMR BUILDING LLC
975 MORRISON DR
DB: M640-088
PB: XXX-X640025
TMS# 459-01-01-001
STONEY MARINE INTERNATIONAL LTD
989 MORRISON DR
Acreage 0.59
DB U230-620
PB T-85, D-174
PROPOSED 21' TEMPORARY CONSTRUCTION EASEMENT
AE (EL13)
EAST BAY STREET/MORRISON DRIVE
US 52/78 92' R/W
CONWAY STREET
CHARLESTON BLVD
Curve Table
ABBREVIATION LEGEND



Property Identification	
Property Name	Charleston County Properties
Address	995 Morrison Drive
	Charleston, South Carolina 29403
Tax ID	461-13-03-101 and 461-13-03-024
Owner of Record	County of Charleston
Legal Description	Lots B and D
Census Tract Number	54.00, Charleston County

Sale History

The most recent closed sale of the subject is summarized as follows:

Sale Date	February 28, 1996
Seller	995 Morrison Drive Associates
Buyer	County of Charleston
Sale Price	$1,450,000
Recording Instrument Number	Deed Book W265, Page 620

No known sales or transfers of ownership have taken place within a three-year period prior to the effective appraisal date.

Pending Transactions

Based on discussions with the appropriate contacts, the property is not subject to an agreement of sale or an option to buy, nor is it listed for sale, as of the effective appraisal date.

Appraisal Purpose

The purpose of the appraisal is to develop the following opinion(s) of value:

Values Reported		
Scenario	Interest Appraised	Effective Date
1. Subject divided into two parcels		
Parcel B	Fee Simple	9/26/2024
Parcel D	Fee Simple	9/26/2024
2. Subject dividved into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H	Fee Simple	9/26/2024
3. Subject divided into two parcels		
Parcel B - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
Parcel D - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
4. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
5. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
6. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G - 1.41 Acres	Fee Simple	9/26/2024
Parcel H - 1.88 acres Affordable Housing	Fee Simple	9/26/2024

The date of the report is October 8, 2024. The appraisal is valid only as of the stated effective date or dates.

Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

Market Value
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [1]

Appraisal Premise Definitions

The definitions of the appraisal premises applicable to this assignment are specified as follows.

As Is Market Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[2]

Property Rights Definitions

The property rights appraised which are applicable to this assignment are defined as follows.

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[3]

Client and Intended User(s)

The client and intended user is County of Charleston. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

[1] Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472
[2]Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)
[3] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)

Intended Use

The intended use of the appraisal is for property disposition purposes. The appraisal is not intended for any other use.

Applicable Requirements

This appraisal report conforms to the following requirements and regulations:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute;
- Applicable state appraisal regulations;

Report Format

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis used to develop the opinion of value.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have previously appraised the property that is the subject of this report for the current client. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Our value conclusions in this report are greater than previous assignment due to improving market conditions over the passage of time.

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. The assignment participants have appraised several properties similar to the subject in physical, locational, and economic characteristics, and are familiar with market conditions and trends; therefore, appraiser competency provisions are satisfied for this assignment. Appraiser qualifications and state credentials are included in the addenda of this report.

Scope of Work

Introduction

The appraisal development and reporting processes require gathering and analyzing information about the assignment elements necessary to properly identify the appraisal problem. The scope of work decision includes the research and analyses necessary to develop credible assignment results, given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

To determine the appropriate scope of work for the assignment, the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors were considered. The concluded scope of work is described below.

Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. The steps taken to verify comparable data are disclosed in the addenda of this report. Although effort has been made to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Subject Property Data Sources

The legal and physical features of the subject property, including size of the site, flood plain data, seismic zone designation, property zoning, existing easements and encumbrances, access and exposure, and condition of the improvements (as applicable) were confirmed and analyzed.

Contacts

In addition to public records and other sources cited in this appraisal, information pertaining to the subject was obtained from the following parties: Donnie Reynolds and Phil Sabatino.

Inspection

Details regarding the property inspection conducted as part of this appraisal assignment are summarized as follows:

Property Inspection		
Party	Inspection Type	Inspection Date
Scott B. Johnstone, MAI	On-site	December 14, 2021

Valuation Methodology

Three approaches to value are typically considered when developing a market value opinion for real property. These are the cost approach, the sales comparison approach, and the income capitalization approach. Use of the approaches in this assignment is summarized as follows:

Approaches to Value

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

In developing an opinion of value for the subject, only the sales comparison approach is used. This approach is applicable to the subject because there is an active market for similar properties, and sufficient sales data is available for analysis.

The cost approach is not applicable because there are no improvements that contribute value to the property, and the income approach is not applicable because the subject is not likely to generate rental income in its current state.

Economic Analysis

Charleston MSA Area Analysis

The subject is located in the Charleston-North Charleston, SC Metropolitan Statistical Area, hereinafter called the Charleston MSA, as defined by the U.S. Office of Management and Budget. The Charleston MSA is 2,588 square miles in size, and ranks 73 in population out of the nation's 384 metropolitan statistical areas.

Population

The Charleston MSA has an estimated 2024 population of 851,938, which represents an average annual 1.6% increase over the 2020 census of 799,636. The Charleston MSA added an average of 13,076 residents per year over the 2020-2024 period, and its annual growth rate exceeded the State of South Carolina rate of 1.2%.

Looking forward, the Charleston MSA's population is projected to increase at a 1.2% annual rate from 2024-2029, equivalent to the addition of an average of 10,586 residents per year. The Charleston MSA's growth rate is expected to exceed that of South Carolina, which is projected to be 0.9%.

Population Trends

	Population			Compound Ann. % Chng	
	2020 Census	2024 Estimate	2029 Projection	2020 - 2024	2024 - 2029
Charleston-North Charleston,	799,636	851,938	904,870	1.6%	1.2%
South Carolina	5,118,425	5,377,943	5,630,329	1.2%	0.9%
USA	331,449,281	336,157,119	344,209,992	0.4%	0.5%

Source: Claritas

Employment

Total employment in the Charleston MSA was estimated at 423,500 jobs at year-end 2023. Between year-end 2013 and 2023, employment rose by 106,000 jobs, equivalent to a 33.4% increase over the entire period. There were gains in employment in nine out of the past ten years. The Charleston MSA's rate of employment growth over the last decade surpassed that of South Carolina, which experienced an increase in employment of 21.4% or 414,000 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Charleston MSA unemployment rate has been consistently lower than that of South Carolina, with an average unemployment rate of 4.0% in comparison to a 4.6% rate for South Carolina. A lower unemployment rate is a positive indicator.

Recent data shows that the Charleston MSA unemployment rate is 2.4% in comparison to a 2.9% rate for South Carolina, a positive sign that is consistent with the fact that the Charleston MSA has outperformed South Carolina in the rate of job growth over the past two years.

Employment Trends

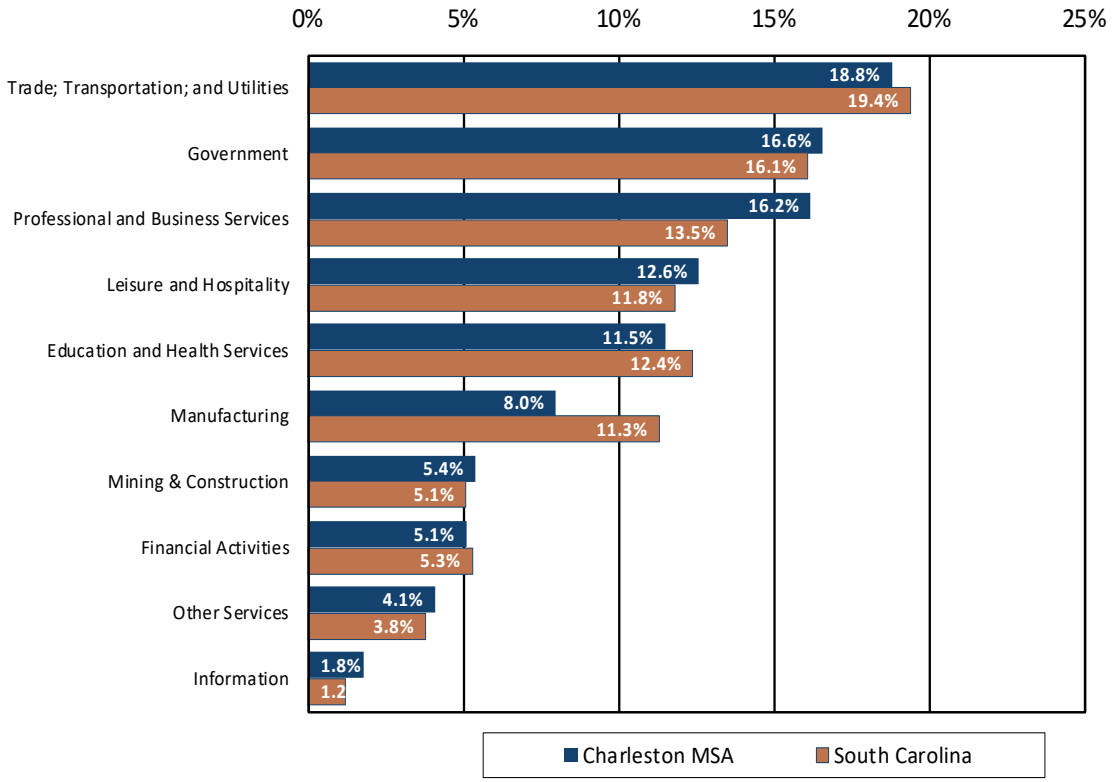
	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
Year	Charleston MSA	% Change	South Carolina	% Change	Charleston MSA	South Carolina
2013	317,500		1,933,000		6.1%	7.4%
2014	328,800	3.6%	1,990,000	2.9%	5.4%	6.3%
2015	341,900	4.0%	2,046,400	2.8%	5.1%	5.9%
2016	349,500	2.2%	2,085,600	1.9%	4.2%	4.9%
2017	359,200	2.8%	2,124,500	1.9%	3.6%	4.2%
2018	372,800	3.8%	2,178,800	2.6%	2.9%	3.4%
2019	381,300	2.3%	2,212,100	1.5%	2.3%	2.8%
2020	365,500	-4.1%	2,136,300	-3.4%	5.8%	6.0%
2021	384,100	5.1%	2,208,900	3.4%	3.6%	3.9%
2022	404,400	5.3%	2,281,600	3.3%	2.8%	3.2%
2023	423,500	4.7%	2,347,000	2.9%	2.5%	3.0%
Overall Change 2013-2023	106,000	33.4%	414,000	21.4%		
Avg Unemp. Rate 2013-2023					4.0%	4.6%
Unemployment Rate - April 2024					2.4%	2.9%

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Current Employment Survey (CES). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

Employment Sectors

The composition of the Charleston MSA job market is depicted in the following chart, along with that of South Carolina. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Charleston MSA jobs in each category.

Employment Sectors - 2023



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

The Charleston MSA has greater concentrations than South Carolina in the following employment sectors:

1. Government, representing 16.6% of Charleston MSA payroll employment compared to 16.1% for South Carolina as a whole. This sector includes employment in local, state, and federal government agencies.
2. Professional and Business Services, representing 16.2% of Charleston MSA payroll employment compared to 13.5% for South Carolina as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
3. Leisure and Hospitality, representing 12.6% of Charleston MSA payroll employment compared to 11.8% for South Carolina as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
4. Mining & Construction, representing 5.4% of Charleston MSA payroll employment compared to 5.1% for South Carolina as a whole. This sector includes construction of buildings, roads, and utility systems, as well as mining, quarrying, and oil and gas extraction.

The Charleston MSA is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 18.8% of Charleston MSA payroll employment compared to 19.4% for South Carolina as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Education and Health Services, representing 11.5% of Charleston MSA payroll employment compared to 12.4% for South Carolina as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Manufacturing, representing 8.0% of Charleston MSA payroll employment compared to 11.3% for South Carolina as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.
4. Financial Activities, representing 5.1% of Charleston MSA payroll employment compared to 5.3% for South Carolina as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.

Major Employers

Major employers in the Charleston MSA are shown in the following table.

Major Employers - Charleston-North Charleston, SC Metro

	Name	Number of Employees
1	Childern's Hospital	10,000+
2	Medical University of SC	10,000+
3	Boeing Co	5,000-9,999
4	Medical University Charleston	5,000-9,999
5	Robert Bosch LLC	1,000-4,999
6	Rober Hospital	1,000-4,999
7	Charleston International	1,000-4,999
8	Villas At kiawah Is Golf Resort	1,000-4,999
9	Health Finders Consult a Nurse	1,000-4,999
10	Kiawah Island Resorts	1,000-4,999

Source: https://jobs.scworks.org/

Gross Domestic Product

The Charleston MSA ranks 66 in Gross Domestic Product (GDP) out of the nation’s 384 metropolitan statistical areas.

Economic growth, as measured by annual changes in GDP, has been considerably higher in the Charleston MSA than South Carolina overall during the past five years. The Charleston MSA has grown at a 3.1% average annual rate while South Carolina has grown at a 2.2% rate. The Charleston MSA continues to perform better than South Carolina. GDP for the Charleston MSA rose by 4.6% in 2022 while South Carolina's GDP rose by 2.5%.

The Charleston MSA has a per capita GDP of $58,579, which is 23% greater than South Carolina's GDP of $47,487. This means that Charleston MSA industries and employers are adding relatively more value to the economy than their counterparts in South Carolina.

Gross Domestic Product

Year	($,000s) Charleston MSA	% Change	($,000s) South Carolina	% Change
2017	41,712,863	–	224,937,600	–
2018	43,397,855	4.0%	231,663,300	3.0%
2019	45,108,303	3.9%	237,511,400	2.5%
2020	44,302,237	-1.8%	233,712,300	-1.6%
2021	46,532,802	5.0%	244,854,000	4.8%
2022	48,651,423	4.6%	250,873,400	2.5%
Compound % Chg (2017-2022)		3.1%		2.2%
GDP Per Capita 2022	$58,579		$47,487	

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2023.
The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted ""real"" GDP stated in 2017 dollars.

Household Income

The Charleston MSA is more affluent than South Carolina. Median household income for the Charleston MSA is $78,572, which is 22.6% greater than the corresponding figure for South Carolina.

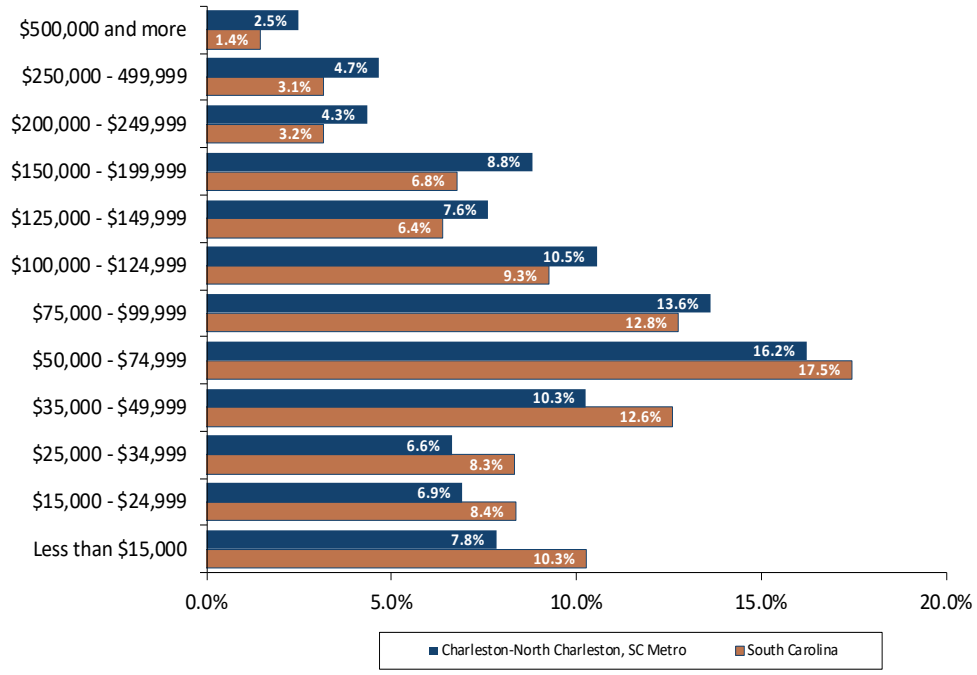
Median Household Income - 2024

	Median
Charleston-North Charleston, SC Metro	$78,572
South Carolina	$64,089
Comparison of Charleston-North Charleston, SC Metro to South C	+ 22.6%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. The Charleston MSA has a greater concentration of households in the higher income levels than South Carolina. Specifically, 20% of Charleston MSA households are at the $150,000 or greater levels in household income as compared to 15% of South Carolina households. A lesser concentration of households is apparent in the lower income levels, as 32% of Charleston MSA households are below the $50,000 level in household income versus 40% of South Carolina households.

Household Income Distribution - 2024

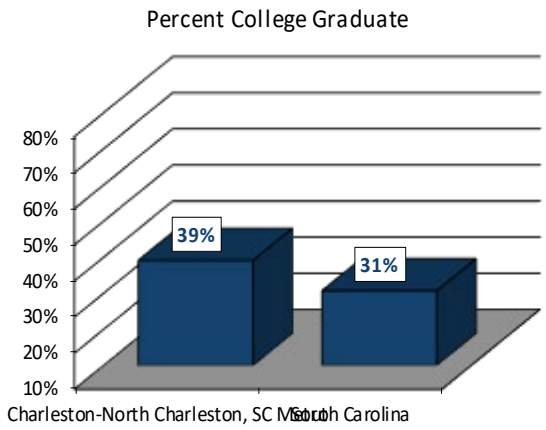


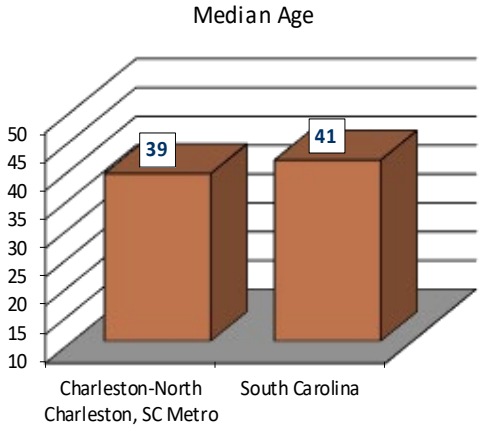
Source: Claritas

Education and Age

Residents of the Charleston MSA have a higher level of educational attainment than those of South Carolina. An estimated 39% of Charleston MSA residents are college graduates with four-year degrees, versus 31% of South Carolina residents. People in the Charleston MSA are younger than their South Carolina counterparts. The median age for the Charleston MSA is 39 years, while the median age for South Carolina is 41 years.

Education & Age - 2024



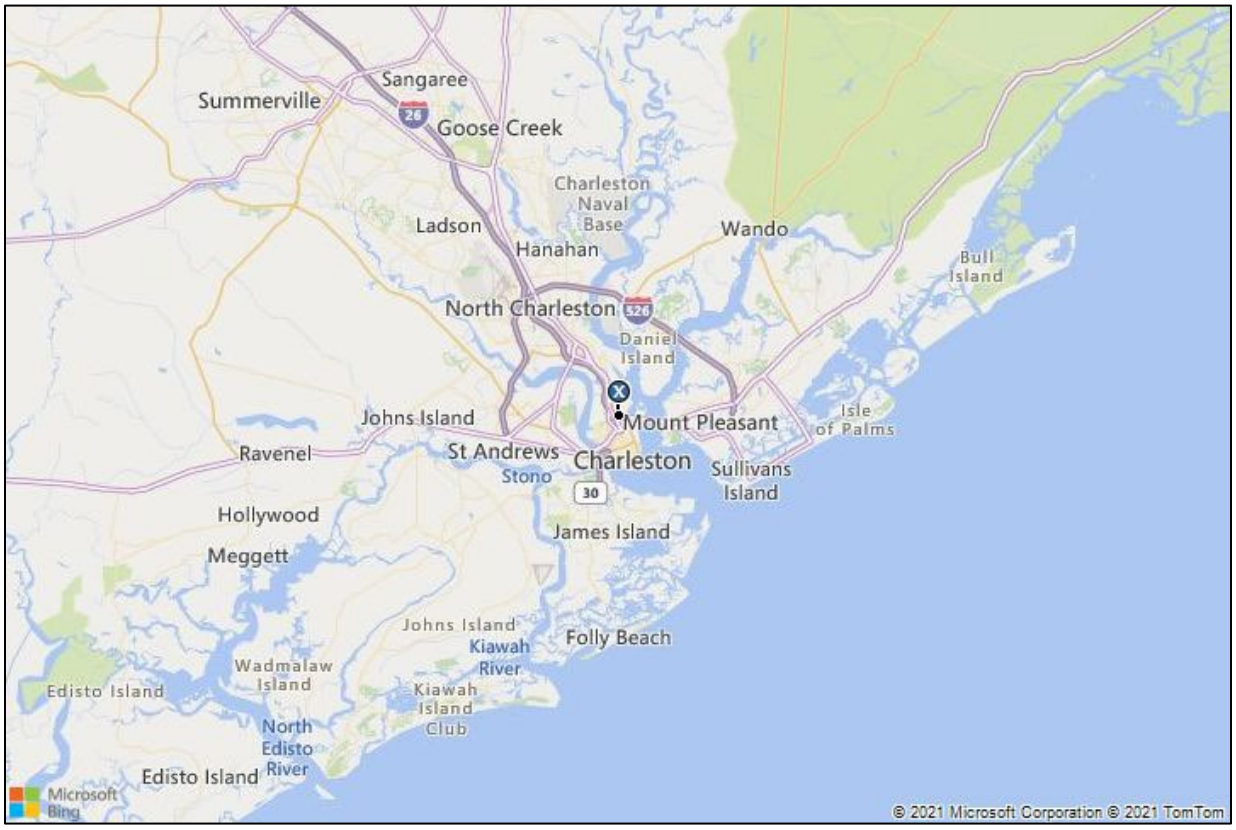


Source: Claritas

Conclusion

The Charleston MSA economy will benefit from a growing population base and higher income and education levels. The Charleston MSA experienced growth in the number of jobs and has maintained a consistently lower unemployment rate than South Carolina over the past decade. Moreover, the Charleston MSA exhibits both a higher rate of GDP growth and a higher level of GDP per capita than South Carolina overall. It is anticipated that the Charleston MSA economy will improve and employment will grow, strengthening the demand for real estate.

Area Map


Summerville
Sangaree
Goose Creek
Charleston Naval Base
Ladson
Hanahan
Wando
Bull Island
North Charleston
Daniel Island
Johns Island
Mount Pleasant
Isle of Palms
Ravenel
St Andrews
Stono
Charleston
Sullivans Island
Hollywood
James Island
Meggett
Johns Island
Folly Beach
Kiawah River
Wadmalaw Island
Edisto Island
Kiawah Island Club
North Edisto River
Edisto Island
Microsoft Bing
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Surrounding Area Analysis

Location

The subject is located in the Upper Peninsula area of the City of Charleston. The immediate area is also referred to as the “NoMo” (North Morrison) District. Area boundaries and delineation are indicated in the following table. A map identifying the location of the property follows this section.

Boundaries & Delineation	
Boundaries	
Market Area	Charleston, SC
Submarket	Downtown Charleston
Area Type	Suburban
Delineation	
North	Pittsburgh Avenue
South	Charleston Harbor
East	Cooper River/Charleston Harbor
West	Ashley River

Access and Linkages

Primary access and linkages to the subject area, including highways, roadways, public transit, traffic counts, and airports, are summarized in the following table.

Access & Linkages	
Vehicular Access	
Major Highways	Interstate 26, US Highway 17
Primary Corridors	King Street, Meeting Street, Morrison Drive/East Bay Street
Vehicular Access Rating	Average
Public Transit	
Providers	CARTA
Transit Access Rating	Average
Airport(s)	
Distance	Charleston International Airport
Driving Time	15 minutes
Primary Transportation Mode	Automobile

The subject is located on the northern fringe of the Central Business District (CBD), the economic and cultural center of the region.

Demand Generators

Major employers include The Medical University of South Carolina, Roper St. Francis Hospital, and the City of Charleston.

Charleston is a major tourist destination and has been ranked the number one tourist destination in the United States and the number two tourist destination in the world. Other demand generators include the subject's proximity and access to Johns Island, Mount Pleasant, Sullivans Island, Isle of Palms, Kiawah Island, Folly Beach, and the Atlantic Ocean.

The Port of Charleston is a seaport shipping terminal that is ranked 8th in the United States based on cargo value. It is operated by the South Carolina State Ports Authority (SCSPA). It can accommodate most cargo types including containers, non-containerized goods, and roll-on roll-off (vehicles). The Port of Charleston contains six terminals, 1.5 million square feet of warehouse and transit shed space, and over 500 acres of cargo storage. The SCSPA operates all container cranes and containing-handling equipment, effectively serving as the terminal operator. They also own and operate Charleston's cruise ship terminal.

The Port of Charleston is a top-10 US container port. SCSPA and the state of South Carolina have committed to invest $2 billion over the next 10 years in the ports and infrastructure. The Charleston Harbor has recently been deepened from 45 feet to 52 feet at a cost of $558 million, providing 24-hour harbor access without tidal restrictions. The Charleston Harbor has become the deepest on the east coast. Existing terminals have been modernized at a cost of $600 million. A new container terminal was recently constructed at a cost of $700 million on a former Navy Base. A new, dual access intermodal container transfer facility was completed in 2022 at a cost of $225 million on approximately 130 acres. A port access road off of Interstate 26 to the new container terminal was recently completed at a cost of $200 million. The new container terminal has increased the container capacity by 50%.

The market area also has a significant military presence including the Joint Base Charleston which is the combined Naval Support Activity base (formerly Naval Weapons Station) and the Charleston Air Force Base. The Naval Support Activity base is located on approximately 17,000 acres of which 10,000 acres are forest and wetlands. It has 16 miles of waterfront, four piers, railroad access, and employs 11,000 people. The Charleston Air Force Base shares its runways with the Charleston International Airport.

Boeing has a commercial airplane manufacturing, assembly, and delivery facility in North Charleston on 265 acres. It is located adjacent to the Charleston Air Force Base/ Charleston International Airport. Volvo has a $500 million manufacturing facility in Berkeley County. Mercedes has a $500 million Sprinter van plant in Ladson. Major employers include Boeing, Trident Medical Center, Charleston Air Force Base, and Westrock. In addition to its strong employment, the area accessible to the Mount Pleasant, West Ashley, James Island, and the North Charleston submarkets, all within 10 minutes driving time. Access to employment centers in other submarkets is a major demand driver.

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics

2024 Estimates	1-Mile Radius	3-Mile Radius	5-Mile Radius	Charleston-North Charleston, SC Metro	South Carolina
Population 2020	12,405	46,420	129,649	799,636	5,118,425
Population 2024	13,768	48,337	133,942	851,938	5,377,943
Population 2029	14,817	50,032	138,069	904,870	5,630,329
Compound % Change 2020-2024	2.6%	1.0%	0.8%	1.6%	1.2%
Compound % Change 2024-2029	1.5%	0.7%	0.6%	1.2%	0.9%
Households 2020	5,736	20,730	57,085	319,353	2,048,912
Households 2024	6,567	22,018	59,797	341,915	2,168,850
Households 2029	7,209	23,150	62,361	364,608	2,283,620
Compound % Change 2020-2024	3.4%	1.5%	1.2%	1.7%	1.4%
Compound % Change 2024-2029	1.9%	1.0%	0.8%	1.3%	1.0%
Median Household Income 2024	$54,513	$72,046	$77,693	$78,572	$64,089
Average Household Size	2.1	2.0	2.1	4.9	4.8
College Graduate %	50%	59%	54%	39%	31%
Median Age	32	34	38	39	41
Owner Occupied %	32%	44%	51%	66%	70%
Renter Occupied %	68%	56%	49%	34%	30%
Median Owner Occupied Housing Value	$644,493	$729,035	$594,820	$367,491	$246,974
Median Year Structure Built	1960	1960	1975	1995	1991
Average Travel Time to Work in Minutes	19	19	22	58	56

Source: Claritas

As shown above, the current population within a 3-mile radius of the subject is 48,337, and the average household size is 2.0. Population in the area has grown since the 2020 census, and this trend is projected to continue over the next five years. Compared to the Charleston MSA overall, the population within a 3-mile radius is projected to grow at a slower rate.

Median household income is $72,046, which is lower than the household income for the Charleston MSA. Residents within a 3-mile radius have a considerably higher level of educational attainment than those of the Charleston MSA, while median owner-occupied home values are considerably higher.

Retail and Public Services

The nearest shopping facilities serving the area are located along King and Meeting Streets within 1.5 miles of the subject. The subject's location is within walking distance of most basic convenience goods and personal services.

The closest regional mall is the Centre Pointe development, located about 10 miles from the property. Restaurants, principally along major arterials such as King Street are within a 5-minute travel time of the property.

The nearest fire and police stations are within 1 mile of the property. The closest elementary/middle school is less than 1 mile and the local high school is approximately 2 miles away. The closest colleges and universities are the College of Charleston, Medical University of South Carolina and the Charleston School of Law.

Proximity to parks, open space and other passive recreation is average.

Land Use

Predominant land uses in the immediate vicinity of the subject include a mix of retail, office, and multifamily residential developments. Land use characteristics of the area are summarized below.

Surrounding Area Land Uses	
Character of Area	Urban
Predominant Age of Improvements (Years)	New to 70+ years
Predominant Quality and Condition	Average
Approximate Percent Developed	95%
Infrastructure and Planning	Average
Predominant Location of Undeveloped Land	North
Prevailing Direction of Growth	North

Development Activity and Trends

Historically, downtown Charleston was developed mostly with 1 to 3 stories buildings with scattered taller buildings. Over the past five years, changes have been made to zoning allowing for denser development and taller buildings in an effort to create denser development thus in an effort to combat sprawl and growing transportation problems which plague coastal cities like Charleston.

During the last five years, development has been predominantly redevelopment of properties for multifamily/mixed uses and offices. Several hotels are planned for Meeting Street near the subject. Most of these buildings are at least six stories in height and are changing both the character and skyline of the upper peninsula. The pace of development has rapidly accelerated over the past two to three years.

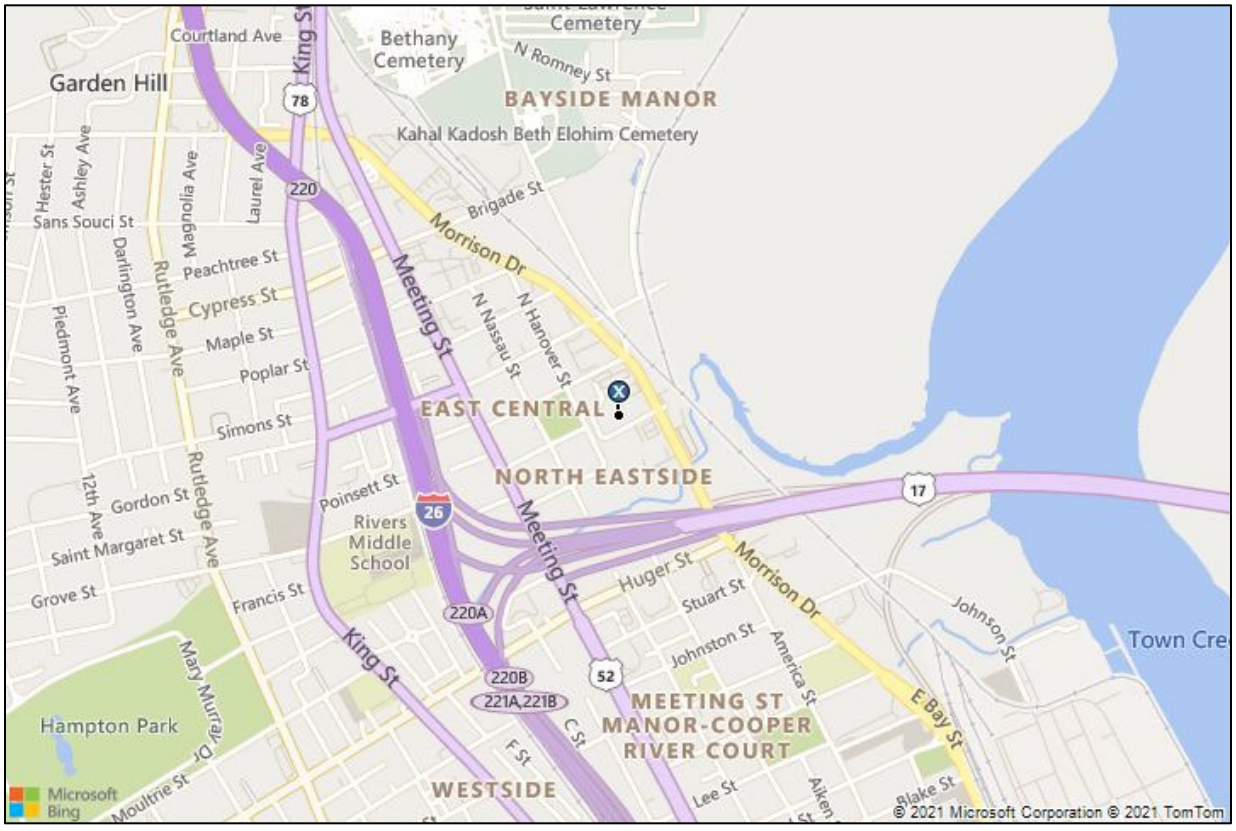
Outlook and Conclusions

The area is in the growth/revitalization stage of its life cycle. We anticipate that property values will increase in the near future.

In comparison to other areas in the region, the area is rated as follows:

Surrounding Area Ratings	
Highway Access	Average
Demand Generators	Average
Convenience to Support Services	Average
Convenience to Public Transit	Average
Employment Stability	Average
Neighborhood Amenities	Average
Police and Fire Protection	Average
Barriers to Competitive Entry	Average
Price/Value Trends	Average
Property Compatibility	Average

Surrounding Area Map



Market Analysis

Any development of the property would include a variety of commercial components including office, retail and multifamily. We have analyzed the markets for each of those areas.

Office Market Analysis

Metro Area Overview

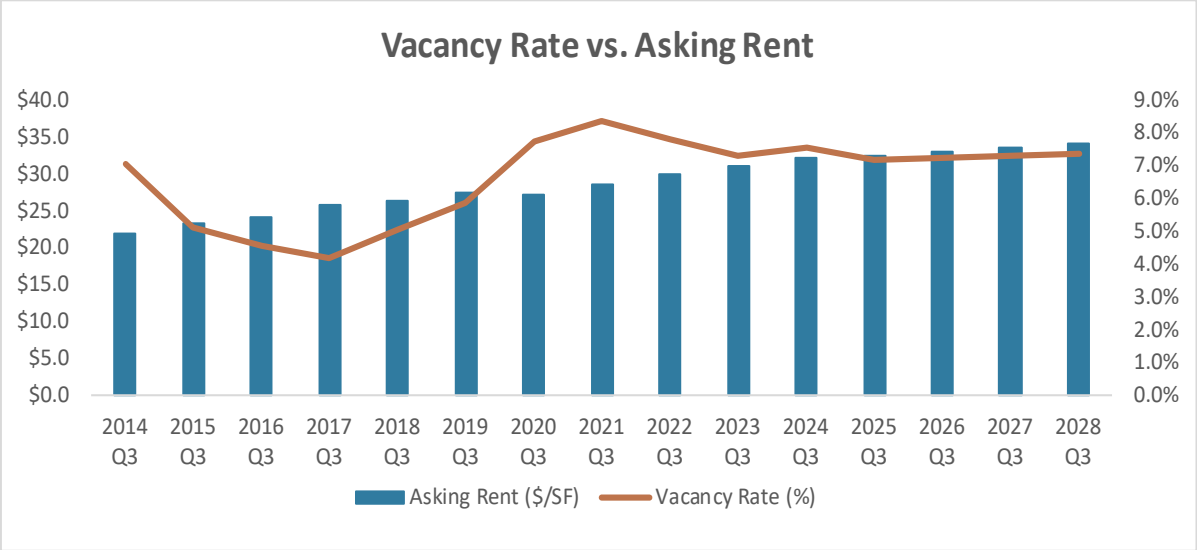
The subject is located in the Charleston - SC USA metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Office Charleston - SC USA Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	28,470,074	26,464,000	7.05%	180,796	347,679	279,015	$22.08	5.66%	9.31%	7.42%
2015 Q3	28,800,989	27,320,468	5.14%	330,915	560,376	857,140	$23.38	5.85%	3.78%	7.42%
2016 Q3	29,234,454	27,896,424	4.58%	425,465	507,536	567,955	$24.28	3.85%	2.49%	7.45%
2017 Q3	29,746,330	28,492,510	4.22%	511,876	986,105	596,803	$25.77	6.15%	-0.24%	7.79%
2018 Q3	30,742,722	29,178,064	5.09%	996,392	1,014,309	685,553	$26.29	2.02%	0.59%	8.05%
2019 Q3	31,524,481	29,679,448	5.85%	751,317	858,720	470,116	$27.40	4.21%	0.38%	8.35%
2020 Q3	31,929,377	29,460,644	7.73%	402,196	1,043,695	-221,504	$27.29	-0.40%	0.06%	8.45%
2021 Q3	32,608,601	29,875,884	8.38%	679,224	787,719	415,241	$28.73	5.30%	9.36%	7.89%
2022 Q3	33,039,627	30,451,814	7.83%	431,026	441,089	575,930	$30.09	4.71%	-1.24%	8.35%
2023 Q3	33,478,120	31,028,090	7.32%	433,493	179,023	571,276	$31.09	3.32%	-6.56%	9.20%
2024 Q3	33,545,437	31,001,200	7.58%	67,317	0	-26,875	$32.10	3.27%	-0.62%	9.39%
2025 Q3	33,674,582	31,249,016	7.20%	129,145	0	252,363	$32.55	1.40%	0.41%	9.47%
2026 Q3	33,663,224	31,229,996	7.23%	-11,358	0	-14,704	$33.05	1.52%	4.67%	9.19%
2027 Q3	33,671,795	31,212,952	7.30%	8,571	0	-12,640	$33.58	1.63%	5.70%	8.85%
2028 Q3	33,690,502	31,204,696	7.38%	18,707	0	-3,481	$34.11	1.56%	6.07%	8.49%

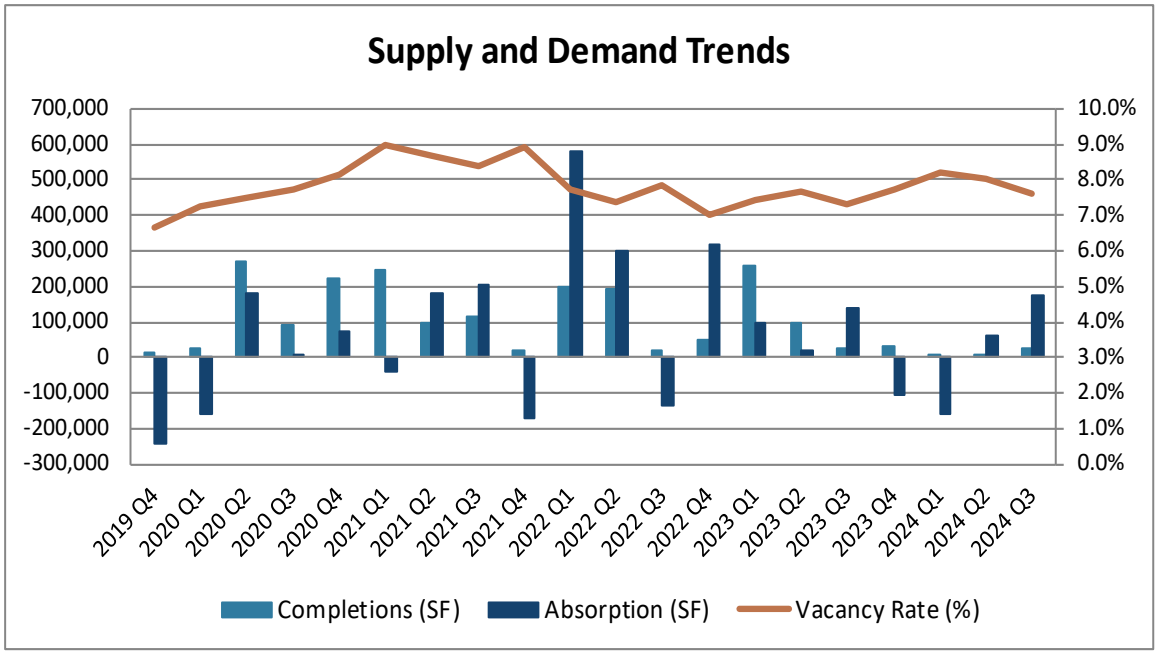
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Charleston - SC USA Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 7.58%; the vacancy rate has decreased by 25 bps from 2022 Q3.
- Two-year Base Case forecasts project a 7.23% vacancy rate in the metro area, representing a decrease of 36 bps by 2026 Q3.
- Asking rent averages $32.10/SF in the metro area, and values have increased by 6.68% from 2022 Q3.
- Two-year Base Case forecasts project a $33.05/SF asking rent in the metro area, representing an increase of 2.96% by 2026 Q3.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 1.53% from 2022 Q3, while the demand has increased by 1.80%.
- Between 2019 Q4 and 2024 Q3, net completions in the metro area have averaged 402,651 SF annually, and reached a peak of 269,188 SF in 2020 Q2.
- Between 2019 Q4 and 2024 Q3, net absorption in the metro area has averaged 262,814 SF annually, and reached a peak of 579,782 SF in 2022 Q1.

Submarket Overview

The subject is located in the Downtown Charleston submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

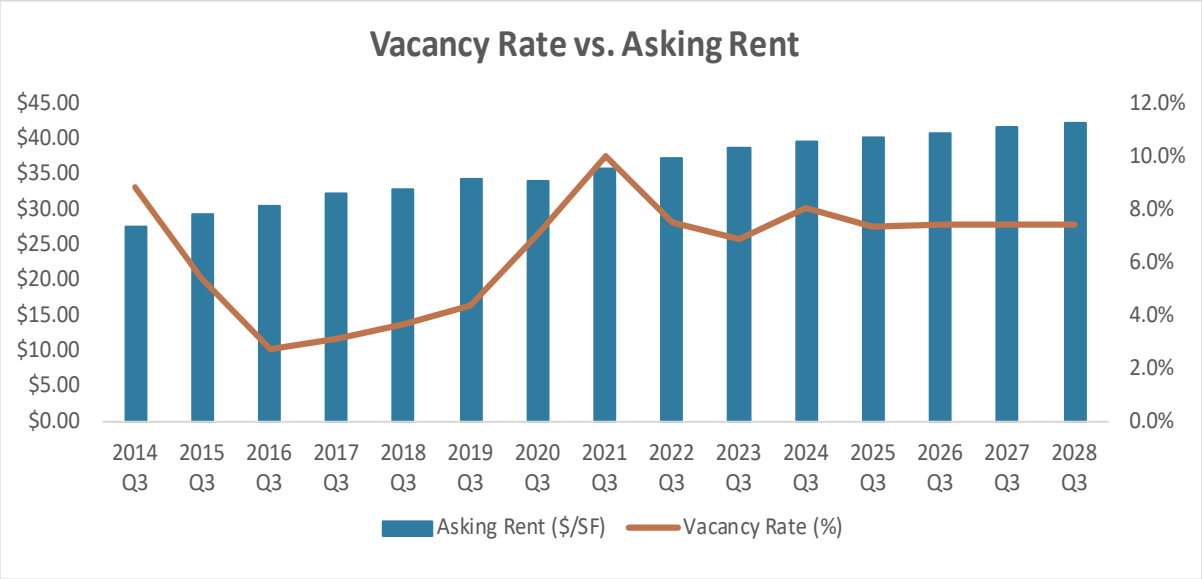
All Office Downtown Charleston Submarket Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	7,135,506	6,503,032	8.86%	48,335	0	-68,826	$27.67	6.76%	9.03%	6.96%
2015 Q3	7,061,851	6,682,086	5.38%	-73,655	14,131	179,054	$29.17	5.43%	3.43%	6.97%
2016 Q3	7,048,205	6,857,326	2.71%	-13,646	72,744	175,240	$30.38	4.16%	1.93%	7.02%
2017 Q3	7,120,949	6,896,205	3.16%	72,744	15,068	38,879	$32.24	6.11%	-0.48%	7.36%
2018 Q3	7,139,891	6,875,763	3.70%	18,942	370,277	-20,442	$32.81	1.76%	-0.32%	7.66%
2019 Q3	7,254,168	6,938,880	4.35%	114,277	459,000	63,117	$34.17	4.14%	-1.15%	7.98%
2020 Q3	7,455,168	6,928,424	7.07%	201,000	668,281	-10,456	$34.11	-0.17%	-3.25%	8.24%
2021 Q3	7,813,083	7,030,517	10.02%	357,915	411,556	102,093	$35.66	4.55%	7.02%	7.65%
2022 Q3	7,900,174	7,308,300	7.49%	87,091	293,405	277,783	$37.29	4.57%	-1.24%	8.10%
2023 Q3	8,193,579	7,628,188	6.90%	293,405	0	319,888	$38.56	3.41%	-6.76%	8.96%
2024 Q3	8,193,579	7,534,187	8.05%	0	0	-94,002	$39.72	3.02%	-0.72%	9.14%
2025 Q3	8,185,430	7,583,640	7.35%	-8,149	0	50,244	$40.28	1.39%	0.41%	9.22%
2026 Q3	8,188,981	7,583,143	7.40%	3,551	0	132	$40.88	1.50%	4.79%	8.94%
2027 Q3	8,202,309	7,593,767	7.42%	13,328	0	11,141	$41.55	1.62%	5.85%	8.60%
2028 Q3	8,220,617	7,608,045	7.45%	18,308	0	15,017	$42.19	1.55%	6.24%	8.24%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

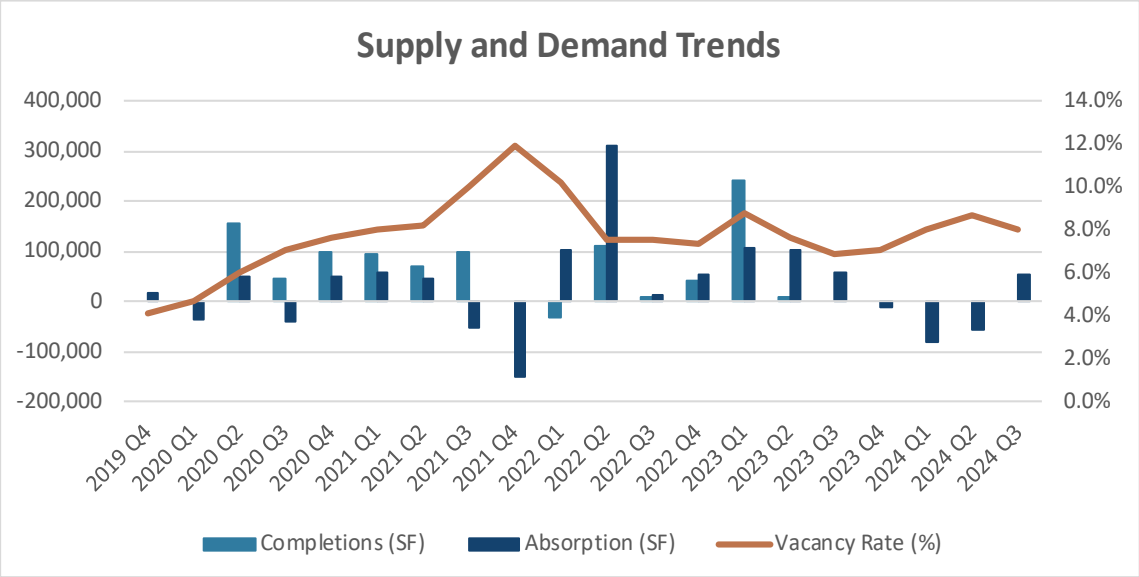
- The Downtown Charleston submarket comprises 24.4% of the metro building stock and 24.3% of the metro building demand.
- The vacancy rate in the Downtown Charleston submarket is 8.05%, which is greater than the metro area's average of 7.58%.
- Downtown Charleston market rate is $39.72/SF which is greater than the metro area's average rate of $32.10/SF.

Downtown Charleston Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

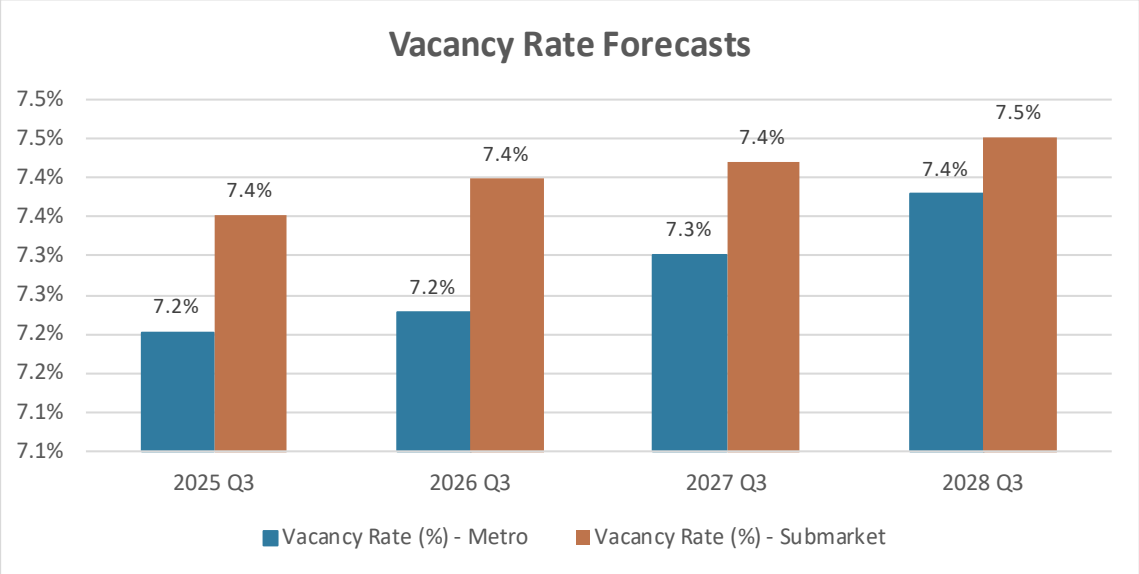
- The current vacancy rate in the submarket area is 8.05%; the vacancy rate has increased by 56 bps from 2022 Q3.
- Two-year Base Case forecasts project a 7.40% vacancy rate in the submarket area, representing a decrease of 65 bps by 2026 Q3.
- Asking rent averages $39.72/SF in the submarket area, and values have increased by 6.52% from 2022 Q3.
- Two-year Base Case forecasts project a $40.88/SF asking rent in the submarket area, representing an increase of 2.92% by 2026 Q3.



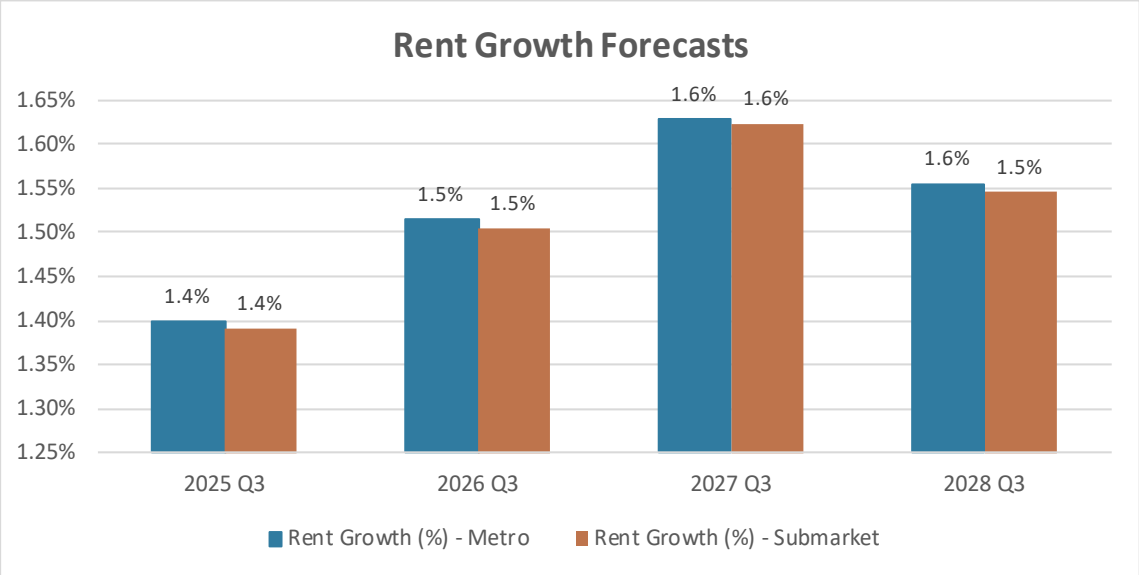
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 3.71% from 2022 Q3, while the demand has increased by 3.09%.
- Between 2019 Q4 and 2024 Q3, net completions in the submarket area have averaged 187,882 SF annually, and reached a peak of 240,000 SF in 2023 Q1.
- Between 2019 Q4 and 2024 Q3, net absorption in the submarket area has averaged 119,061 SF annually, and reached a peak of 310,323 SF in 2022 Q2.

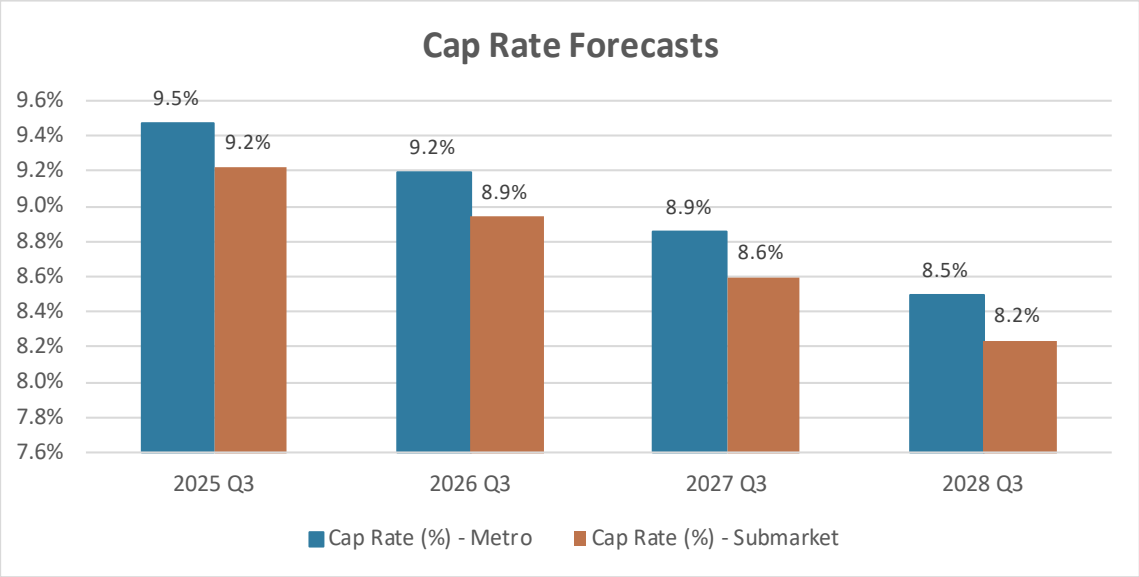
Office Market Forecast Comparisons



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Market Participant Comments

The following comments were taken from the Charleston Office Market Analysis from CoStar dated September, 2024.

The office market in Charleston has held up better than many others over the past several years. Headwinds facing the market, however, have become more apparent heading into the final stretch of 2024. While continued hiring in the professional services and financial activities sector helped stabilize absorption in 24Q2, that came after two consecutive quarters where office tenants vacated more space than they occupied. A handful of layoffs from large office users such as Blackbaud and TELUS International led to move-outs, as well.

Vacancy rates, which remain below the national rate, have ticked up as leasing activity slowed and a handful of new projects delivered. Sublease space reached a new high, as well, as a few large blocks became available. Scheduled move-ins from in-market companies consolidating space in new trophy buildings, such as the highly anticipated Morrison Yard, The Morris, and Nexton projects, will contribute to absorption in the coming quarters.

Despite the recent uptick in vacancies, Charleston's roster of midsize professional services tenants and relatively modest supply expansions, compared to larger markets, have kept rent growth stable and well above the national benchmark. Rent growth has been particularly strong in the highest-quality, newest spaces. While some supply is expected in the suburbs, a recent decline in construction starts should help the market avoid surges in new availabilities in the longer run.

Office investment activity has also slowed, as recent and rapid interest rate hikes put some deals on hold. About $114 million in deals have closed over the past 12 months, the majority of which were smaller deals of less than $10 million.

Office Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the Charleston metro area to have a positive impact on the subject property's performance in the near-term.

Retail Market Analysis

Metro Area Overview

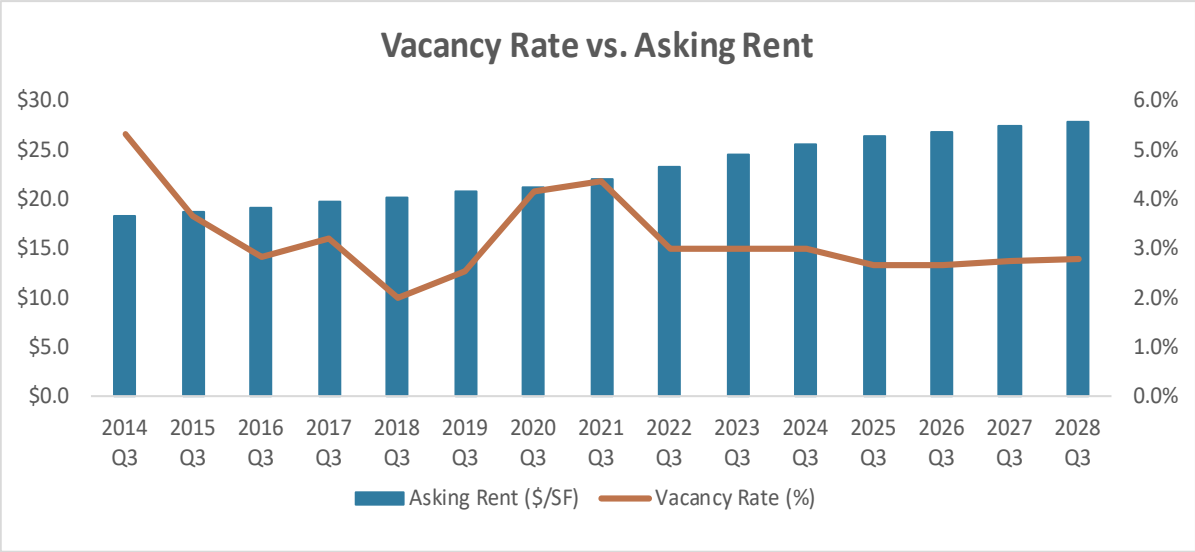
The subject is located in the Charleston - SC USA metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Retail Charleston - SC USA Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	44,993,642	42,585,376	5.35%	254,575	438,410	188,491	$18.34	2.13%	9.26%	7.27%
2015 Q3	45,635,652	43,954,064	3.68%	642,010	349,044	1,368,685	$18.83	2.67%	10.35%	6.95%
2016 Q3	45,997,951	44,693,216	2.84%	362,299	410,834	739,152	$19.25	2.26%	1.53%	6.96%
2017 Q3	46,277,990	44,781,148	3.23%	280,039	548,372	86,362	$19.75	2.61%	1.25%	7.03%
2018 Q3	46,943,541	45,989,948	2.03%	658,562	704,253	1,207,812	$20.32	2.85%	1.84%	7.08%
2019 Q3	47,737,982	46,518,220	2.56%	788,441	401,009	522,270	$20.80	2.39%	3.69%	7.03%
2020 Q3	48,002,116	46,004,156	4.16%	264,134	360,280	-511,152	$21.34	2.61%	3.52%	6.95%
2021 Q3	48,350,033	46,242,808	4.36%	343,561	379,174	234,776	$22.16	3.81%	5.00%	6.80%
2022 Q3	48,745,629	47,288,692	2.99%	395,596	345,526	1,046,435	$23.44	5.80%	10.46%	6.55%
2023 Q3	49,017,392	47,549,376	2.99%	271,763	547,912	260,683	$24.69	5.31%	5.53%	6.51%
2024 Q3	49,383,735	47,889,852	3.03%	366,343	0	340,478	$25.73	4.23%	5.29%	6.47%
2025 Q3	49,602,400	48,272,924	2.68%	218,665	0	385,898	$26.36	2.44%	-6.91%	7.09%
2026 Q3	49,678,897	48,343,600	2.69%	76,497	0	65,798	$26.94	2.18%	1.24%	7.16%
2027 Q3	49,769,816	48,402,248	2.75%	90,919	0	48,681	$27.45	1.89%	5.41%	6.93%
2028 Q3	49,871,578	48,472,340	2.81%	101,762	0	60,579	$27.95	1.84%	4.62%	6.76%

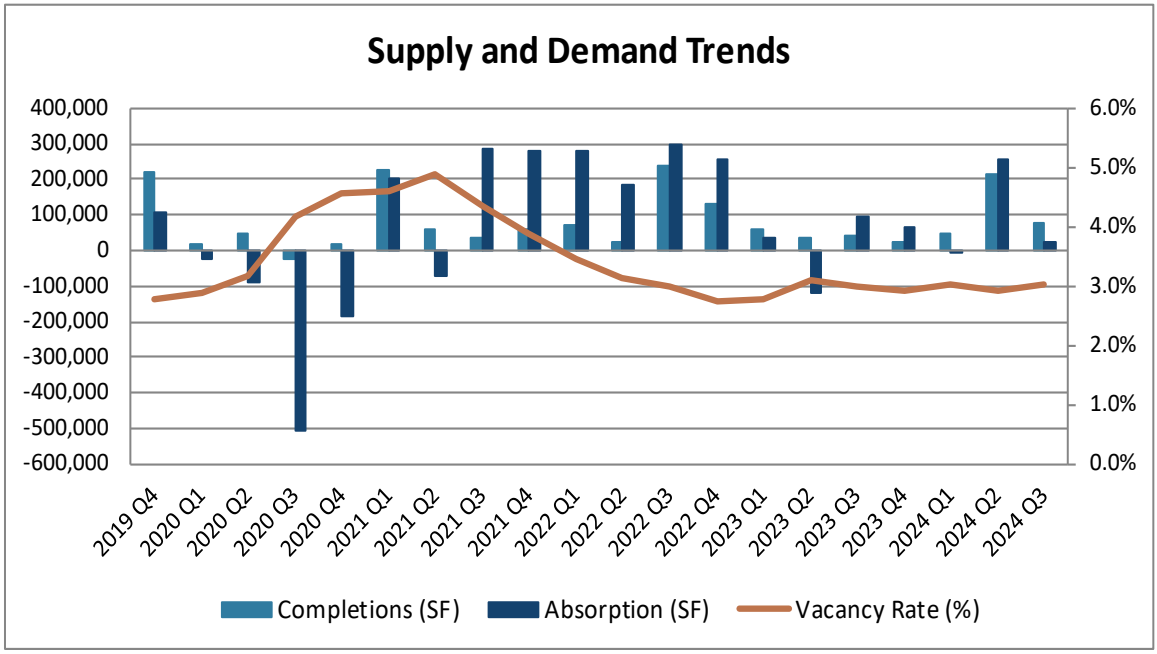
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Charleston - SC USA Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 3.03%; the vacancy rate has increased by 4 bps from 2022 Q3.
- Two-year Base Case forecasts project a 2.69% vacancy rate in the metro area, representing a decrease of 34 bps by 2026 Q3.
- Asking rent averages $25.73/SF in the metro area, and values have increased by 9.77% from 2022 Q3.
- Two-year Base Case forecasts project a $26.94/SF asking rent in the metro area, representing an increase of 4.70% by 2026 Q3.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has increased by 1.31% from 2022 Q3, while the demand has increased by 1.27%.
- Between 2019 Q4 and 2024 Q3, net completions in the metro area have averaged 328,279 SF annually, and reached a peak of 239,698 SF in 2022 Q3.
- Between 2019 Q4 and 2024 Q3, net absorption in the metro area has averaged 274,244 SF annually, and reached a peak of 297,855 SF in 2022 Q3.

Submarket Overview

The subject is located in the Downtown Charleston submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

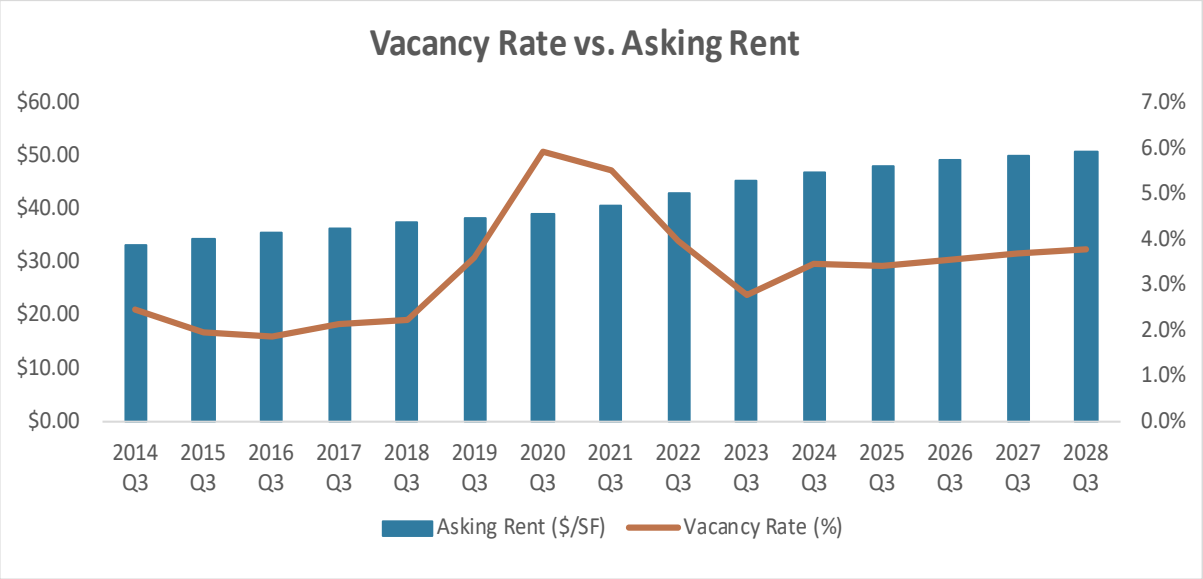
All Retail Downtown Charleston Submarket Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	4,622,800	4,510,155	2.44%	-6,000	7,255	-5,455	$33.39	3.05%	11.00%	6.58%
2015 Q3	4,624,095	4,533,678	1.96%	1,295	17,516	23,523	$34.50	3.33%	11.27%	6.23%
2016 Q3	4,644,189	4,556,889	1.88%	20,094	16,560	23,211	$35.47	2.81%	3.43%	6.21%
2017 Q3	4,645,789	4,546,068	2.15%	1,600	135,867	-10,821	$36.46	2.79%	2.15%	6.23%
2018 Q3	4,720,507	4,616,260	2.21%	74,718	52,606	70,192	$37.51	2.89%	3.67%	6.22%
2019 Q3	4,763,313	4,591,881	3.60%	42,806	0	-24,379	$38.32	2.17%	3.60%	6.15%
2020 Q3	4,756,842	4,475,074	5.92%	-6,471	4,126	-116,807	$39.24	2.38%	3.91%	6.05%
2021 Q3	4,756,842	4,493,561	5.53%	0	16,834	18,487	$40.82	4.04%	5.70%	5.91%
2022 Q3	4,731,632	4,544,702	3.95%	-25,210	0	51,141	$43.18	5.78%	10.34%	5.72%
2023 Q3	4,714,133	4,583,554	2.77%	-17,499	0	38,852	$45.33	4.98%	5.64%	5.69%
2024 Q3	4,683,824	4,522,340	3.45%	-30,309	0	-61,214	$46.91	3.47%	4.92%	5.64%
2025 Q3	4,683,565	4,523,782	3.41%	-259	0	1,779	$48.04	2.41%	-8.13%	6.26%
2026 Q3	4,693,866	4,526,620	3.56%	10,301	0	2,032	$49.08	2.16%	1.06%	6.33%
2027 Q3	4,706,181	4,532,875	3.68%	12,315	0	4,668	$49.99	1.85%	5.81%	6.10%
2028 Q3	4,719,856	4,540,894	3.79%	13,675	0	6,520	$50.89	1.80%	4.91%	5.93%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

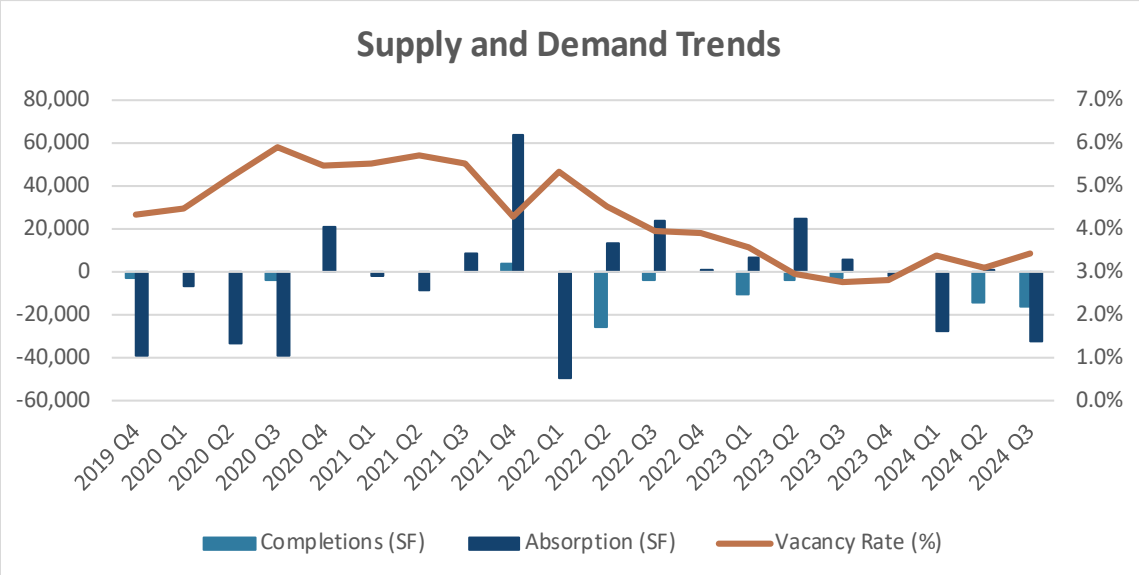
- The Downtown Charleston submarket comprises 9.5% of the metro building stock and 9.4% of the metro building demand.
- The vacancy rate in the Downtown Charleston submarket is 3.45%, which is greater than the metro area's average of 3.03%.
- Downtown Charleston market rate is $46.91/SF which is greater than the metro area's average rate of $25.73/SF.

Downtown Charleston Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

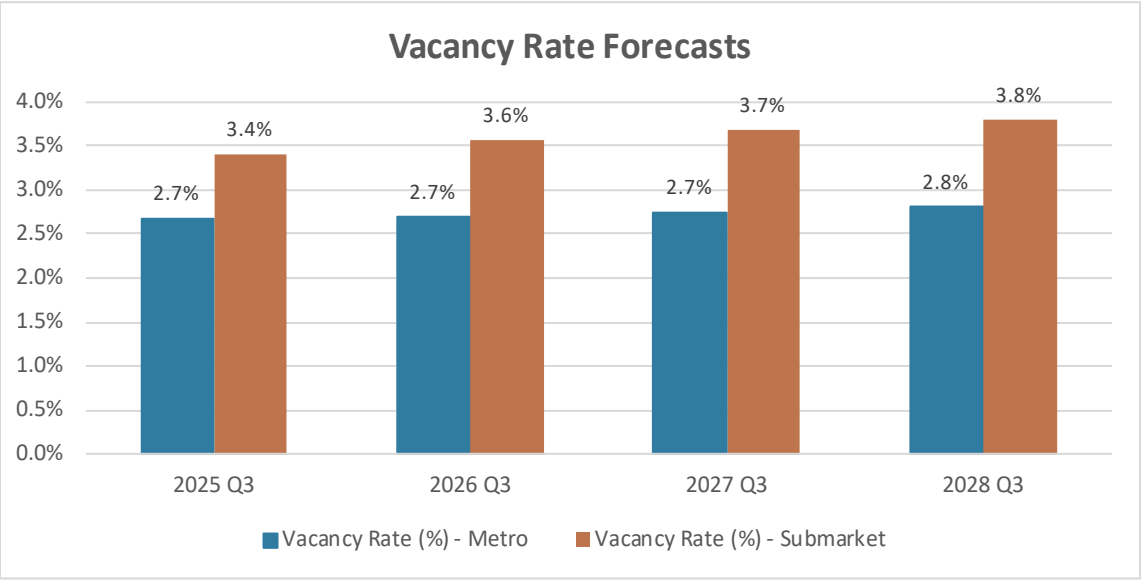
- The current vacancy rate in the submarket area is 3.45%; the vacancy rate has decreased by 50 bps from 2022 Q3.
- Two-year Base Case forecasts project a 3.56% vacancy rate in the submarket area, representing an increase of 12 bps by 2026 Q3.
- Asking rent averages $46.91/SF in the submarket area, and values have increased by 8.64% from 2022 Q3.
- Two-year Base Case forecasts project a $49.08/SF asking rent in the submarket area, representing an increase of 4.63% by 2026 Q3.



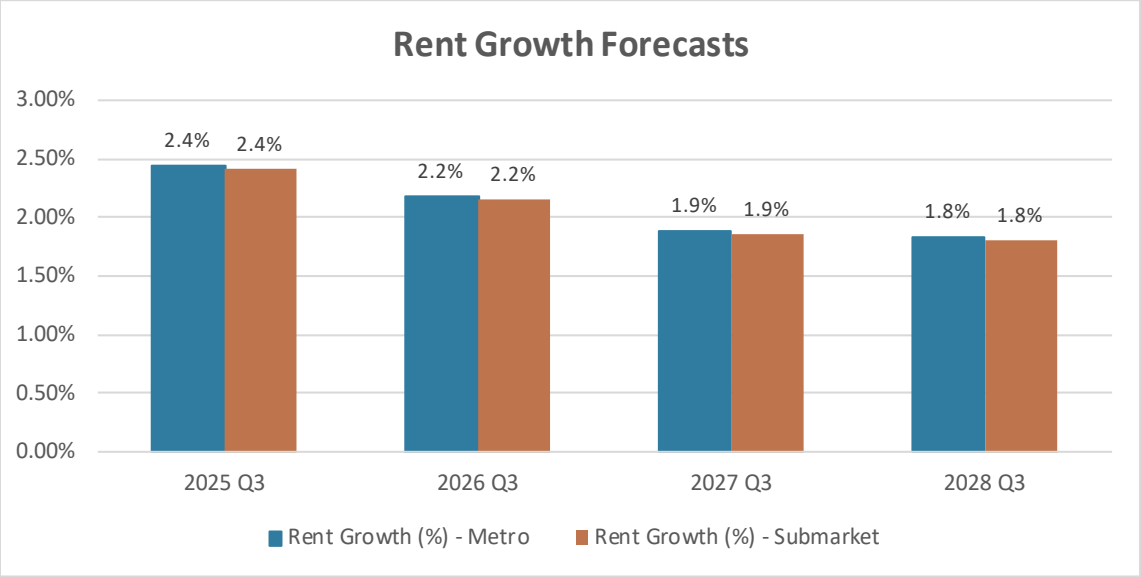
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (SF) has decreased by 1.01% from 2022 Q3, while the demand has decreased by 0.49%.
- Between 2019 Q4 and 2024 Q3, net completions in the submarket area have averaged -15,898 SF annually, and reached a peak of 4,126 SF in 2021 Q4.
- Between 2019 Q4 and 2024 Q3, net absorption in the submarket area has averaged -13,908 SF annually, and reached a peak of 63,433 SF in 2021 Q4.

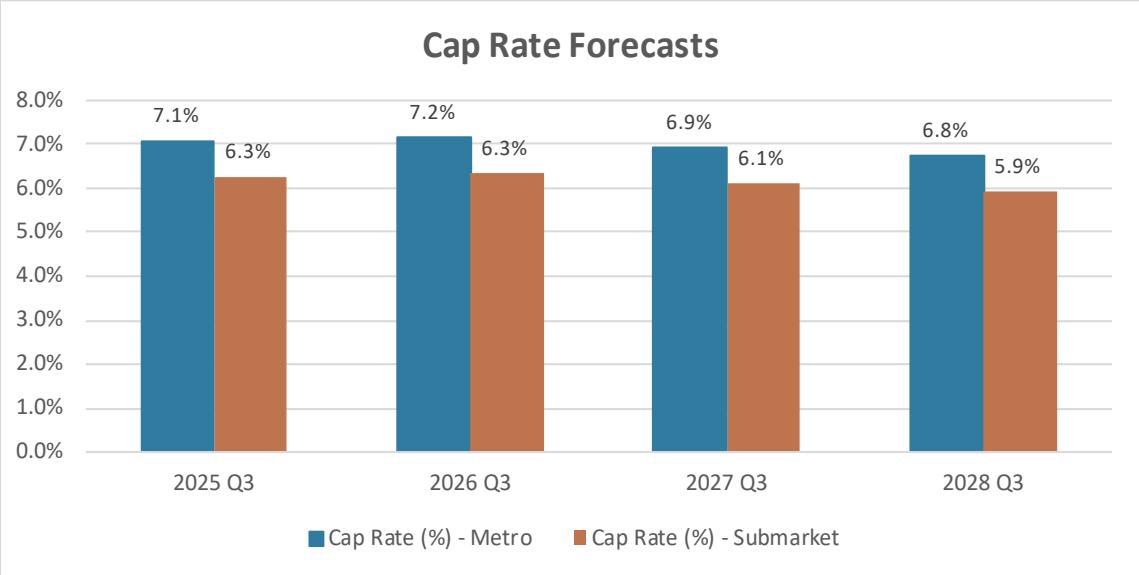
Retail Market Forecast Comparisons



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Market Participant Comments

The following comments were taken from the Charleston Retail Market Analysis from CoStar dated September, 2024.

Tourism, in-migration, and continued job growth have stabilized retail demand in the Charleston market in the second half of 2024. Leasing volume accelerated again in the first half of the year after a brief lull in late 2023. Available space in the market makes up only 3.4% of total inventory, a near-record low level the market has hovered closely to for the past two years.

The lack of available retail space has been the biggest challenge for retail tenants in Charleston and the biggest boost for retail property owners' bottom lines. The tight space market has stabilized fundamentals, leaving the market easily able to backfill company moveouts.

While some new construction has followed new suburban housing growth in the form of neighborhood centers or mixed-use districts, reuse and redevelopment have proven more popular than new construction, especially in the area's historically preserved downtown peninsula. Of the 541,000 SF delivered since 2023, 80% has been pre-leased. An additional 230,000 SF is under construction, representing just 0.5% of current inventory. More than 70% of that space is already spoken for.

Investors remain interested in Charleston's retail market, and retail's continued rent growth has stabilized investment compared to other property types. The higher cost of debt financing, however, has continued to slow total volume in the market. About $320 million has traded hands in the market over the past year, which is down about 16% on a year-over-year basis and more than 63% from the peak of investment volume reached in mid-2022

Retail Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the Charleston metro area to have a positive impact on the subject property's performance in the near-term.

Multifamily Market Analysis

Metro Area Overview

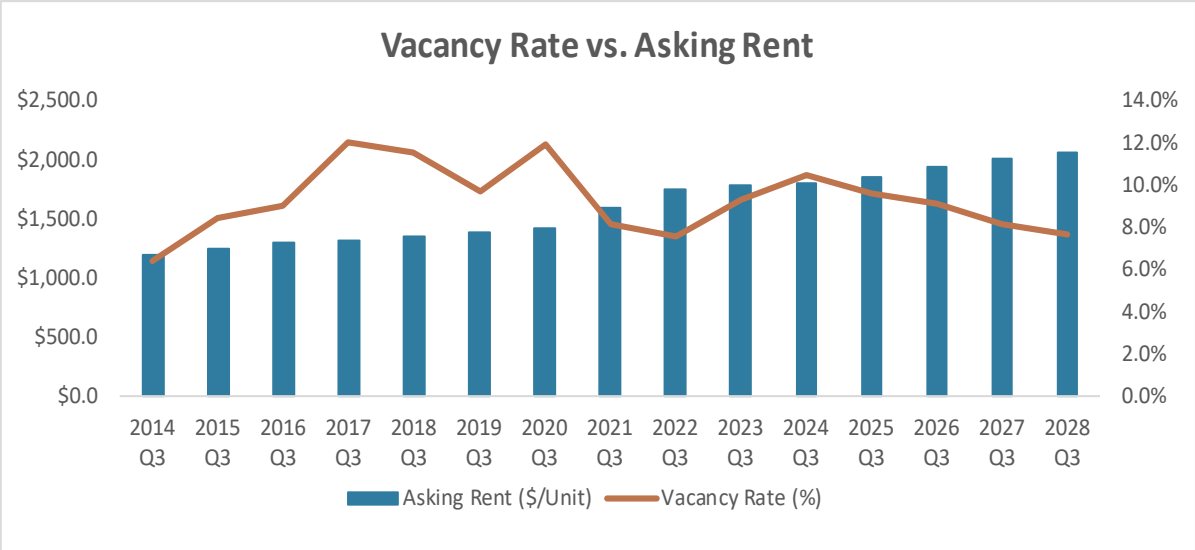
The subject is located in the Charleston - SC USA metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Multifamily Charleston - SC USA Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	39,211	36,678	6.46%	2,016	3,924	2,124	$1,201	3.33%	6.90%	6.07%
2015 Q3	41,947	38,376	8.51%	2,736	2,642	1,698	$1,259	4.76%	10.44%	5.81%
2016 Q3	43,442	39,522	9.02%	1,495	6,208	1,146	$1,298	3.15%	7.10%	5.77%
2017 Q3	47,617	41,887	12.03%	4,175	4,198	2,365	$1,322	1.85%	6.42%	5.57%
2018 Q3	50,883	44,976	11.61%	3,266	4,433	3,089	$1,359	2.74%	5.69%	5.51%
2019 Q3	53,089	47,939	9.70%	2,206	4,956	2,963	$1,392	2.45%	7.09%	5.40%
2020 Q3	56,776	50,010	11.92%	3,687	6,438	2,072	$1,419	1.97%	8.40%	5.11%
2021 Q3	60,879	55,911	8.16%	4,103	6,292	5,901	$1,607	13.19%	21.97%	4.49%
2022 Q3	63,499	58,652	7.63%	2,620	6,220	2,740	$1,752	9.03%	6.45%	4.59%
2023 Q3	66,972	60,711	9.35%	3,473	8,341	2,059	$1,790	2.21%	-8.59%	5.22%
2024 Q3	72,439	64,832	10.50%	5,467	0	4,121	$1,806	0.87%	-0.78%	5.40%
2025 Q3	74,181	67,025	9.65%	1,742	0	2,194	$1,862	3.12%	-0.77%	5.61%
2026 Q3	76,034	69,072	9.16%	1,853	0	2,046	$1,940	4.16%	7.32%	5.48%
2027 Q3	77,539	71,190	8.19%	1,505	0	2,119	$2,015	3.88%	9.03%	5.26%
2028 Q3	79,317	73,188	7.73%	1,778	0	1,998	$2,074	2.93%	9.94%	4.97%

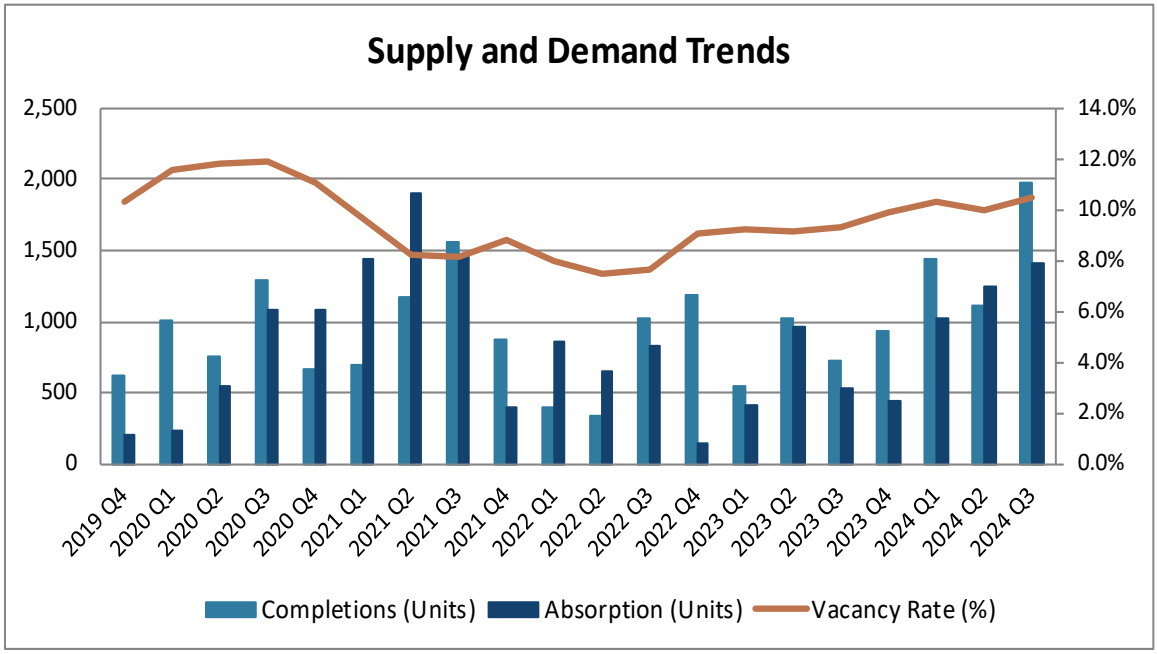
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Charleston - SC USA Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 10.50%; the vacancy rate has increased by 287 bps from 2022 Q3.
- Two-year Base Case forecasts project a 9.16% vacancy rate in the metro area, representing a decrease of 134 bps by 2026 Q3.
- Asking rent averages $1,806/unit in the metro area, and values have increased by 3.08% from 2022 Q3.
- Two-year Base Case forecasts project a $1,940/unit asking rent in the metro area, representing an increase of 7.43% by 2026 Q3.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 14.08% from 2022 Q3, while the demand has increased by 10.54%.
- Between 2019 Q4 and 2024 Q3, net completions in the metro area have averaged 3,870 units annually, and reached a peak of 1,975 units in 2024 Q3.
- Between 2019 Q4 and 2024 Q3, net absorption in the metro area has averaged 3,379 units annually, and reached a peak of 1,897 units in 2021 Q2.

Submarket Overview

The subject is located in the Downtown Charleston submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

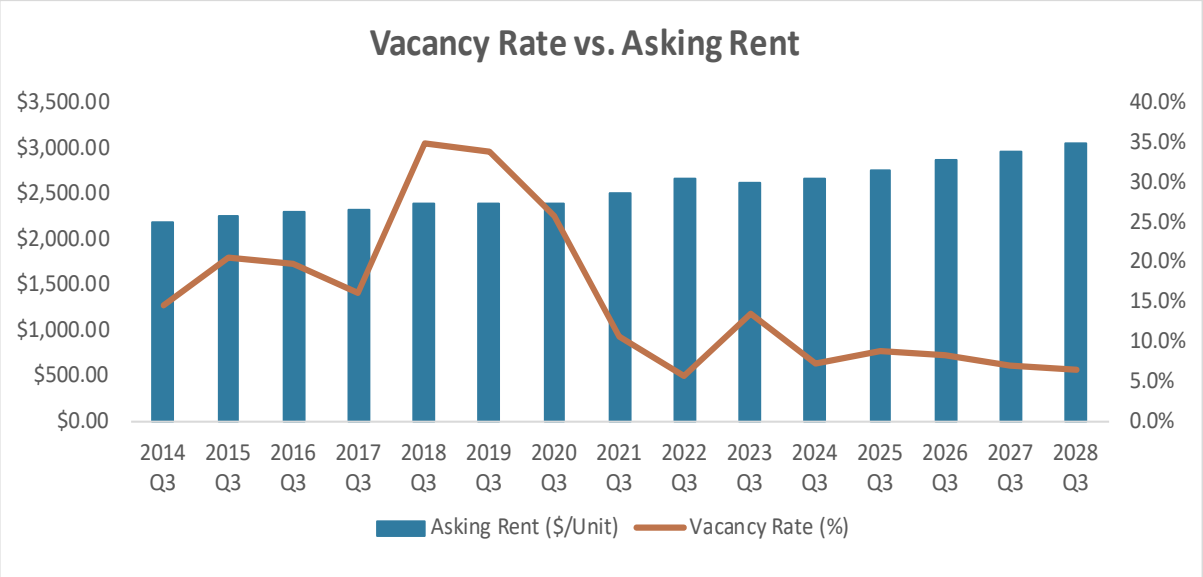
All Multifamily Downtown Charleston Submarket Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2014 Q3	1,474	1,257	14.69%	43	5	75	$2,181	3.05%	7.93%	5.17%
2015 Q3	1,479	1,176	20.48%	5	0	-81	$2,252	3.25%	5.93%	5.25%
2016 Q3	1,479	1,185	19.85%	0	809	8	$2,295	1.92%	5.76%	5.19%
2017 Q3	1,259	1,057	16.02%	-220	1,380	-128	$2,334	1.71%	2.11%	5.17%
2018 Q3	1,974	1,284	34.98%	715	1,487	226	$2,390	2.38%	3.96%	5.18%
2019 Q3	2,545	1,680	33.97%	571	926	397	$2,400	0.40%	5.92%	5.11%
2020 Q3	3,062	2,271	25.83%	517	1,105	591	$2,392	-0.30%	4.53%	4.93%
2021 Q3	3,623	3,242	10.53%	561	1,514	969	$2,510	4.91%	17.55%	4.42%
2022 Q3	3,674	3,466	5.66%	51	1,694	225	$2,660	6.00%	2.81%	4.59%
2023 Q3	4,623	3,999	13.51%	949	745	532	$2,615	-1.70%	-10.71%	5.30%
2024 Q3	4,927	4,572	7.20%	304	0	573	$2,668	2.01%	-1.41%	5.53%
2025 Q3	5,241	4,776	8.90%	314	0	203	$2,750	3.10%	-0.71%	5.74%
2026 Q3	5,418	4,970	8.28%	177	0	194	$2,864	4.15%	7.27%	5.61%
2027 Q3	5,575	5,188	6.96%	157	0	217	$2,974	3.84%	8.93%	5.39%
2028 Q3	5,787	5,417	6.41%	212	0	230	$3,060	2.86%	9.80%	5.09%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

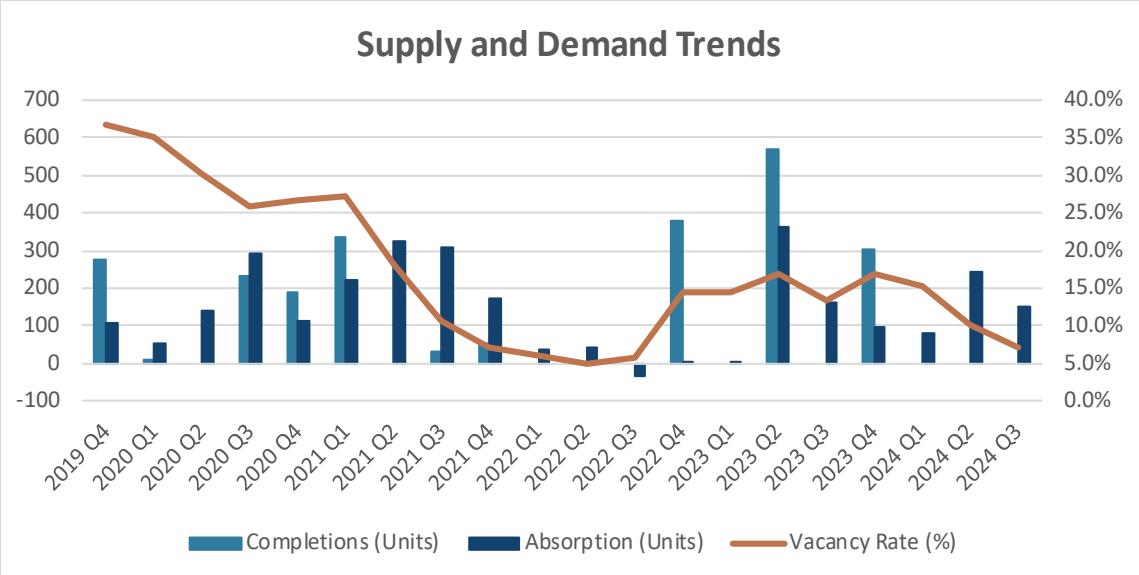
- The Downtown Charleston submarket comprises 6.8% of the metro building stock and 7.1% of the metro building demand.
- The vacancy rate in the Downtown Charleston submarket is 7.20%, which is less than the metro area's average of 10.50%.
- Downtown Charleston market rate is $2,668/unit which is greater than the metro area's average rate of $1,806/unit.

Downtown Charleston Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

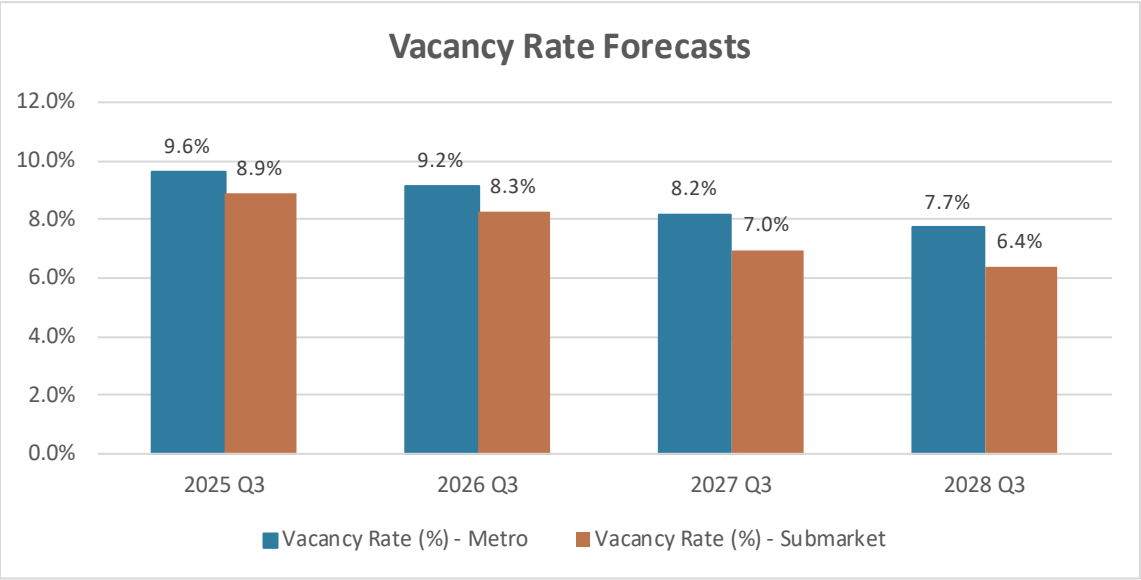
- The current vacancy rate in the submarket area is 7.20%; the vacancy rate has increased by 154 bps from 2022 Q3.
- Two-year Base Case forecasts project a 8.28% vacancy rate in the submarket area, representing an increase of 108 bps by 2026 Q3.
- Asking rent averages $2,668/unit in the submarket area, and values have increased by 0.29% from 2022 Q3.
- Two-year Base Case forecasts project a $2,864/unit asking rent in the submarket area, representing an increase of 7.37% by 2026 Q3.



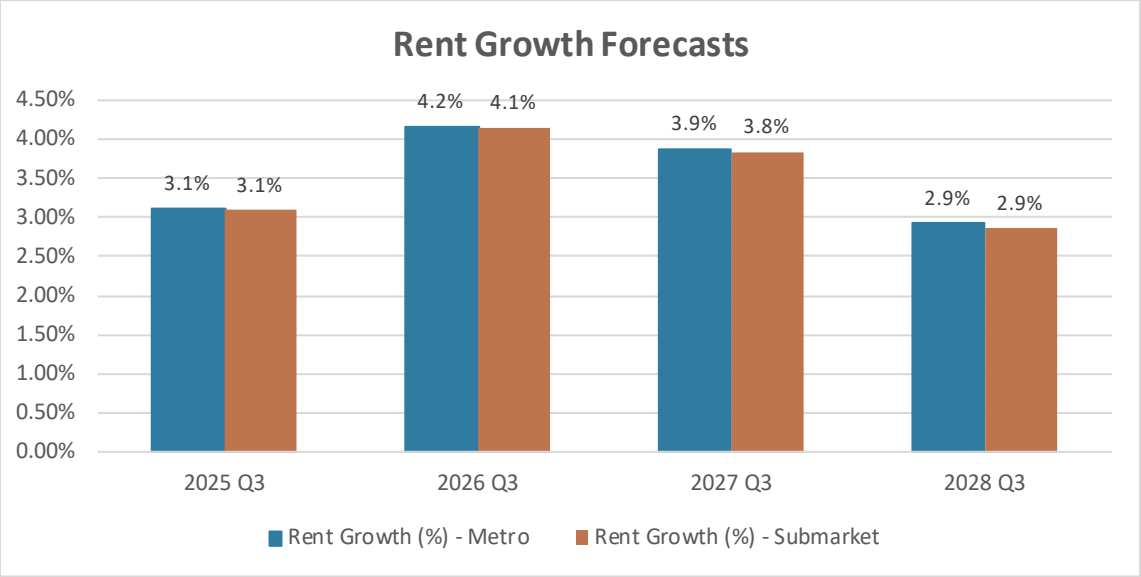
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 34.10% from 2022 Q3, while the demand has increased by 31.92%.
- Between 2019 Q4 and 2024 Q3, net completions in the submarket area have averaged 476 units annually, and reached a peak of 570 units in 2023 Q2.
- Between 2019 Q4 and 2024 Q3, net absorption in the submarket area has averaged 578 units annually, and reached a peak of 364 units in 2023 Q2.

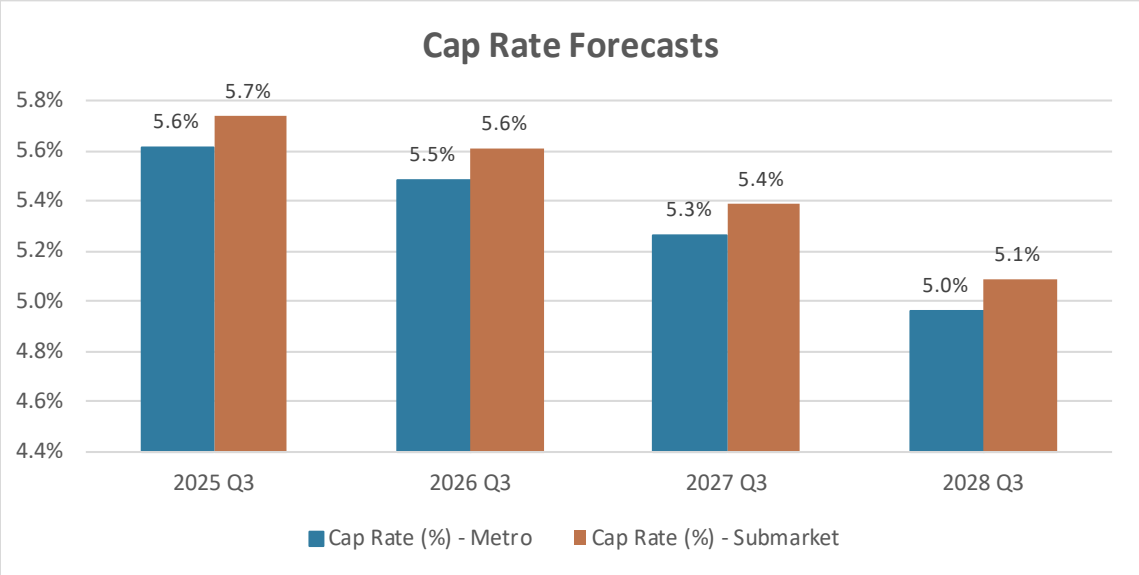
Multifamily Market Forecast Comparisons



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Market Participant Comments

The following comments were taken from the Charleston Multifamily Market Analysis from CoStar dated September, 2024.

A stronger-than-expected spring leasing season and some gradual relief from intense supply pressures have raised optimism among multifamily operators in Charleston heading into the final months of 2024. Population and household growth have continued to support apartment demand, and despite the recent supply wave, net absorption outpaced deliveries for the first time in two years in 24Q2.

A longer-term supply wave has lifted the vacancy rate to 10.2%, which is well above the national average but still roughly on par with the market's 10-year historical average and significantly lower than some larger Southeastern markets. New supply has accounted for most of that rise in vacancies as more than 5,200 units have delivered here in the past year. Another 3,900 units are underway. While that still represents a substantial 5.4% expansion of existing inventory, it is well below the nearly 8,000 units that were under construction at the peak in early 2023. Very few new projects have broken ground so far in 2024, meaning the construction pipeline will thin further through 2025..

While supply challenges led to slower rent growth in Charleston, the market-wide annual rent growth rate flattened but never dipped into negative territory. Improving demand heading into the last quarter of the year led to rent growth recovery and rents are now up 0.9%, year over year. While that is down from peaks near 17% annual growth in late 2021, it is still higher than rates in larger Carolinas markets such as Charlotte and Raleigh. Rents in Charleston come at a premium to similarly sized coastal markets and are more comparable to larger coastal markets in Florida, such as Tampa and Orlando.

Both blue-collar and white-collar job growth has supported apartment demand here recently. Manufacturing tenants, including Boeing, Volvo, Mercedes-Benz, and Bosch have expanded here recently, and growth in imports at the Port of Charleston has led to expansions in logistics and warehousing employment. Other office-using firms such as T-Mobile have also added jobs here, and proximity to the beach and other amenities has attracted retirees and remote workers.

Multifamily Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the Charleston metro area to have a positive impact on the subject property's performance in the near-term.

Economic Concerns

The 2024 commercial real estate outlook indicates there are potential challenges ahead. Retail is at a crossroads, and the future of office space is unclear. Plus, supply chain issues persist, although inflation has been reduced following steadily increased interest rates by the Federal Reserve in 2022 and 2023. However, there are a few bright spots in the commercial real estate forecast. Multifamily properties continue to perform well, and the hot streak for industrial properties remains.

National and international geopolitical issues and market volatility combined with recent high inflation and interest rate hikes place the U.S. economy in uncharted territory. It's important to look at each of these macroeconomic factors:

- **Geopolitical issues:** The war in Ukraine and sanctions on Russia, as well as conflict in the Middle East, have had major global economic implications. While European countries may feel the greatest effects, the U.S. is still experiencing the conflicts' impacts. Most notably, the resulting sanctions and supply chain issues have driven up food, shelter and energy prices.

- **Record-high inflation:** Record high inflation has slowed over recent months. However, these rising costs not only affect affordable and workforce housing, but also market rate housing. Many tech giants, for example, are concerned that their entry-level employees can't afford housing anywhere near Silicon Valley.

- **Rising interest rates:** Although the target federal funds range remains at 4.75% to 5.00%, the Federal Reserve recently expressed optimism that multiple rate cuts may be implemented in 2024 beginning in September due to slowing inflation. However, interest rate uncertainty could still negatively impact commercial real estate owners. There may be an upside for multifamily owners and investors, as higher interest rates may cause potential homeowners to remain renters for longer.

Together, these factors may still lead to a mild to moderate recession in 2024. The pandemic's economic impact largely mimicked that of a natural disaster on a national scale, but the economy bounced back over several quarters. A 2024 recession would likely be a more traditional one. Full recovery would take place over years, not months, and impact all asset classes.

Property Analysis

Land Description and Analysis

Land Area Summary

Tax ID	Lot	SF	Acres
461-13-03-101	Lot B	139,392	3.20
461-13-03-024	Lot D	143,748	3.30
Total		283,140	6.50

Source: Survey

Both Lot B and Lot D were subdivided from a larger parent parcel when the developers of Laurel Island purchased Lots A and C for development of a bridge to that development. A survey of the property is shown at the end of this section of the report.

In several of the valuation scenarios, the subject is divided into four parcels, Parcels E, F, G and H. A survey of the property as 4 parcels is shown at the end of this section of the report.

The survey depicts a temporary construction easement along the northern boundary of Lot B adjacent to the proposed roadway/bridge to Laurel Island. Per the client, this easement has not been considered in the valuation analysis.

Land Description	
Total Land Area	6.50 acres; 283,140 SF
Source of Land Area	Survey
Primary Street Frontage	Morrison Drive
Secondary Street Frontage	Hanover Street
Secondary Street Frontage	Conroy Street
Shape	Rectangular
Corner	Yes
Topography	Generally level and at street grade
Drainage	No problems reported or observed
Environmental Hazards	None reported or observed
Ground Stability	No problems reported or observed
Flood Area Panel Number	45019C0512K
Date	January 29, 2021
Zone	AE
Description	Within 100-year floodplain
Insurance Required?	Yes
Zoning; Other Regulations	
Zoning Jurisdiction	City of Charleston
Zoning Designation	PUD (Laurel Island)
Description	Planned Unit Development
Legally Conforming?	Appears to be legally conforming
Zoning Change Likely?	No
Permitted Uses	Most commercial and residential uses. Any specific development must be approved. Residential development must include 10% workforce housing.
Minimum Lot Area	None
Minimum Setbacks (Feet)	Per approval
Maximum Building Height	Per approval
Parking Requirement	Varies by use
Other	None
Other Land Use Regulations	None reported or observed
Utilities	
Service	Provider
Water	City of Charleston
Sewer	City of Charleston
Electricity	Dominion Energy
Natural Gas	Dominion Energy
Local Phone	Various providers

Street Frontage

The street frontage for the various parcels in the valuation scenarios is summarized in the following chart. Morrison Drive is a primary transportation route in the area.

Street Frontage				
Parcel	Morrison Drive	Conroy Street	Hanover Street	Corner
Lot B	Yes	No	Yes	No
Lot D	Yes	Yes	Yes	Yes
Lot E	Yes	No	No	No
Lot F	No	No	Yes	No
Lot G	Yes	Yes	No	Yes
Lot H	No	Yes	Yes	Yes

Zoning

The subject is currently zoned PUD, Planned Unit Development by the City of Charleston. It is also in the Amusement and Recreation Overlay Zone, the Short Term Rental Category (CAT 2), and the Historic Corridor District.

The subject is part of the Laurel Island PUD. As part of that PUD, no less than 10% of all residential dwelling units shall be Workforce Housing. The affected dwelling units impacted by Workforce Housing shall have aggregate household income less than or equal to eighty (80%) percent of the area median income (AMI) for rental units. Detail concerning these requirements is shown at the end of this section.

The AR Overlay Zone applies to all areas of the peninsular section of the city south of Mount Pleasant Street as extended across the entire peninsular from the Ashley River to Town Creek and bounded by Town Creek, the Cooper River, Charleston Harbor and Ashley River. Within the AR Overlay Zone, restrictions on amusement and recreation services apply in addition to regulations for each overlayed zone.

Residential Short Term Rental Category 2 corresponds to the area of the peninsula outside of the short term rental overlay and the Old and historic District. In Category 2, the property shall not contain more than one short term rental unit; the unit shall not be contained in a building constructed 50 or more years ago, and the property shall provide one off-street parking space.

Within the Historic Corridor District, the Board of Architectural Review (BAR) reviews all new construction, alterations and renovations visible from the public right-of-way. The BAR reviews all demolitions of buildings 50 years or age or older on any structures south of Mount Pleasant Street and any demolitions (regardless of age) within the Old and Historic District.

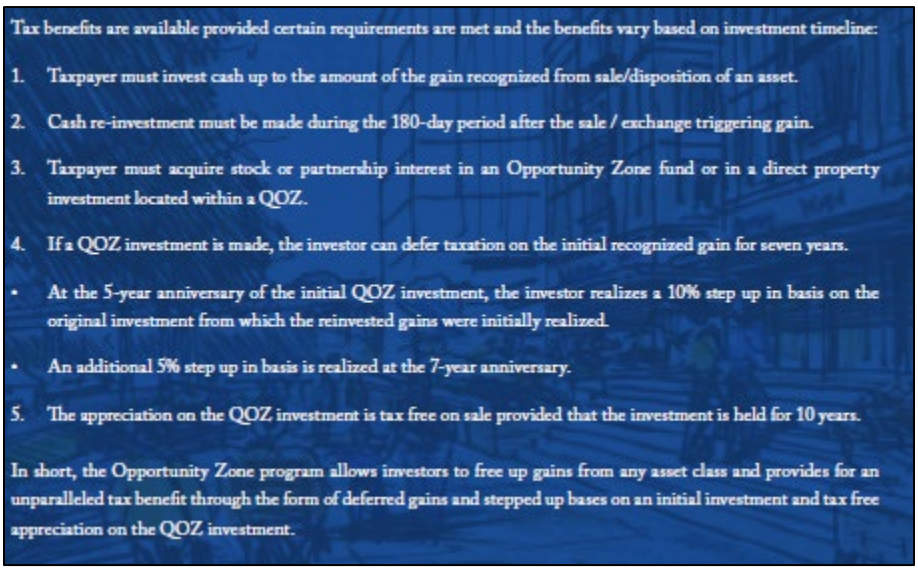
We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance with zoning is required.

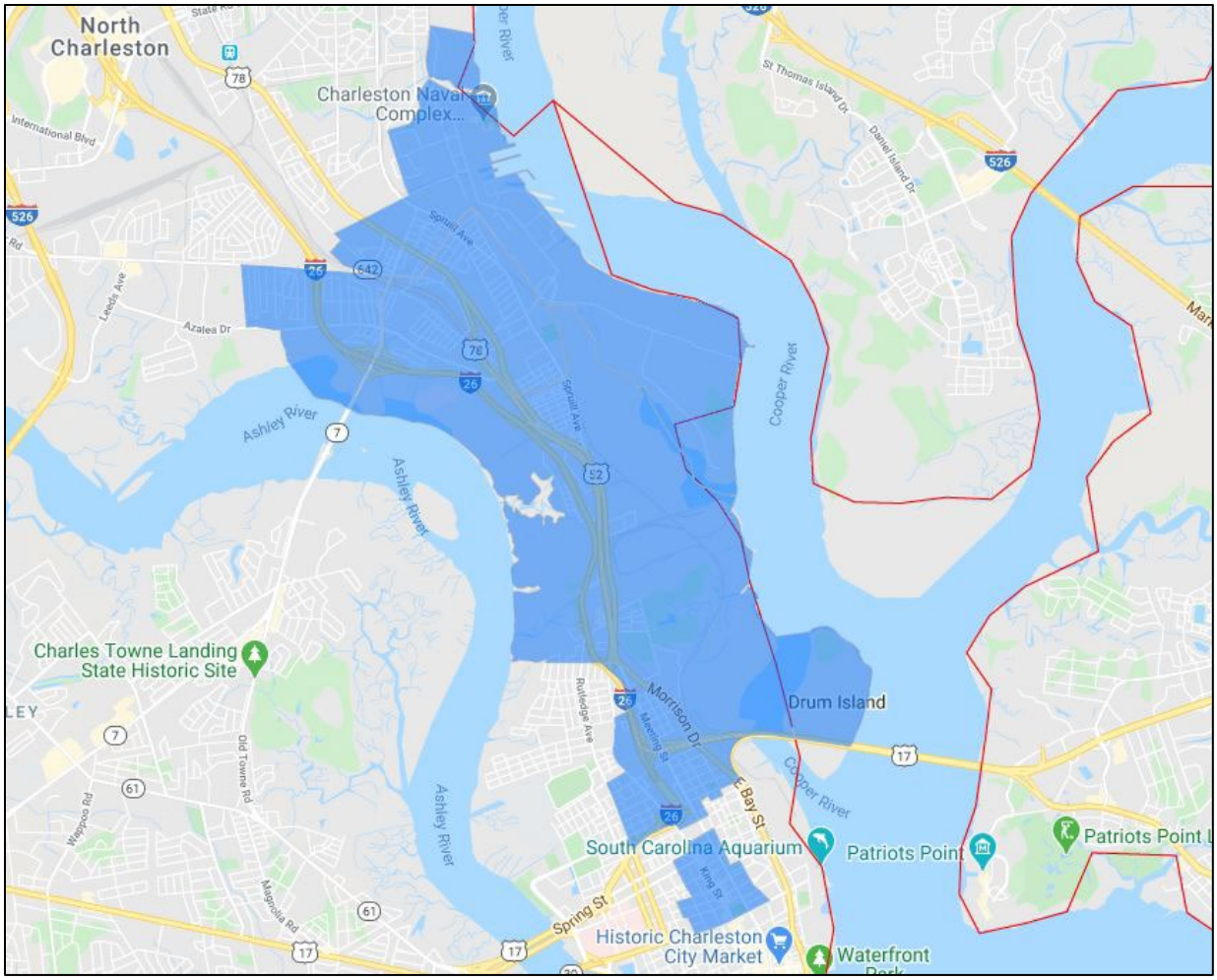
Flood Zone

The subject is located within the 100 year floodplain based on the AE zone. It is not unusual for a development to be located within the 100 year flood zone in the Charleston area. A vast majority of the developments in peninsular Charleston are all situated within the AE flood zone.

Opportunity Zone Location

The subject site is located in a Qualified Opportunity Zone established by the US Treasury Department and IRS. Opportunity zones were formed by the Federal Government in December 2017 to enhance community development in transitioning neighborhoods by offering investors significant tax incentives. Investors can deploy recognized gains (from any asset class) into highly tax advantaged real estate investments (within QOZs) to the benefit of transitioning neighborhoods which improve via free market forces as opposed to government oversight/regulation. The benefits are available only for capital investment in tangible property located within a QOZ where either the original use of the property commences in the QOZ or substantial improvements are made. The opportunity zone offers capital gains tax benefits to the developer. It does not impact the property taxes for the property.





Easements, Encroachments and Restrictions

The survey depicts a Temporary Construction Easement (TCE) along the northern boundary of Lot B adjacent to the proposed roadway/bridge to Laurel Island. According to the property owner, the easement is for seven (7) years beginning February 12, 2021. The temporary construction is addressed in the valuation of Lot B later in the report. The exact allocation of the Temporary Construction Easement (TCE) for Lots E and F is unknown in valuations scenarios 2 through 5. We have prorated the total area equally to both parcels which we assume to be correct.

A current title report was not provided for review. There are no apparent easements, encroachments, or restrictions that would adversely affect value. This valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

Improvements

The subject is improved with 80,884 square feet of office and industrial space which was formerly used by the City Magistrate and Small Claims Court, the Charleston County Disabilities Board and Charleston County for vehicle storage. The improvements were originally constructed in 1973 and have reached the end of their economic life. A significant portion of the main building is located on Lot C which was purchased for the development of the bridge to Laurel Island. Redevelopment of the site is further discussed in the Highest and Best Use section.

The main building will be demolished as part of the construction of the bridge to Laurel Island on Lot B. The property owner is in process of obtaining bids to demolish the building located on Lot D near the corner of Conroy Street and Hanover Street. As such, we have not deducted any building demolition costs in the valuation of either subject parcel.

Conclusion of Site Analysis

Overall, the physical characteristics and the availability of utilities result in a functional site, suitable for a variety of uses including those permitted by zoning. Uses permitted by zoning include most commercial and residential uses. Any specific development must be approved. Residential development must include 10% workforce housing.. No other restrictions on development are apparent.

Subject Property
(Photo Taken on December 14, 2021)

Subject Property
(Photo Taken on December 14, 2021)

Subject Property
(Photo Taken on December 14, 2021)

Subject Property
(Photo Taken on December 14, 2021)

Subject Property
(Photo Taken on December 14, 2021)

Subject Property
(Photo Taken on December 14, 2021)

Subject Property
(Photo Taken on December 14, 2021)

Subject Property
(Photo Taken on December 14, 2021)

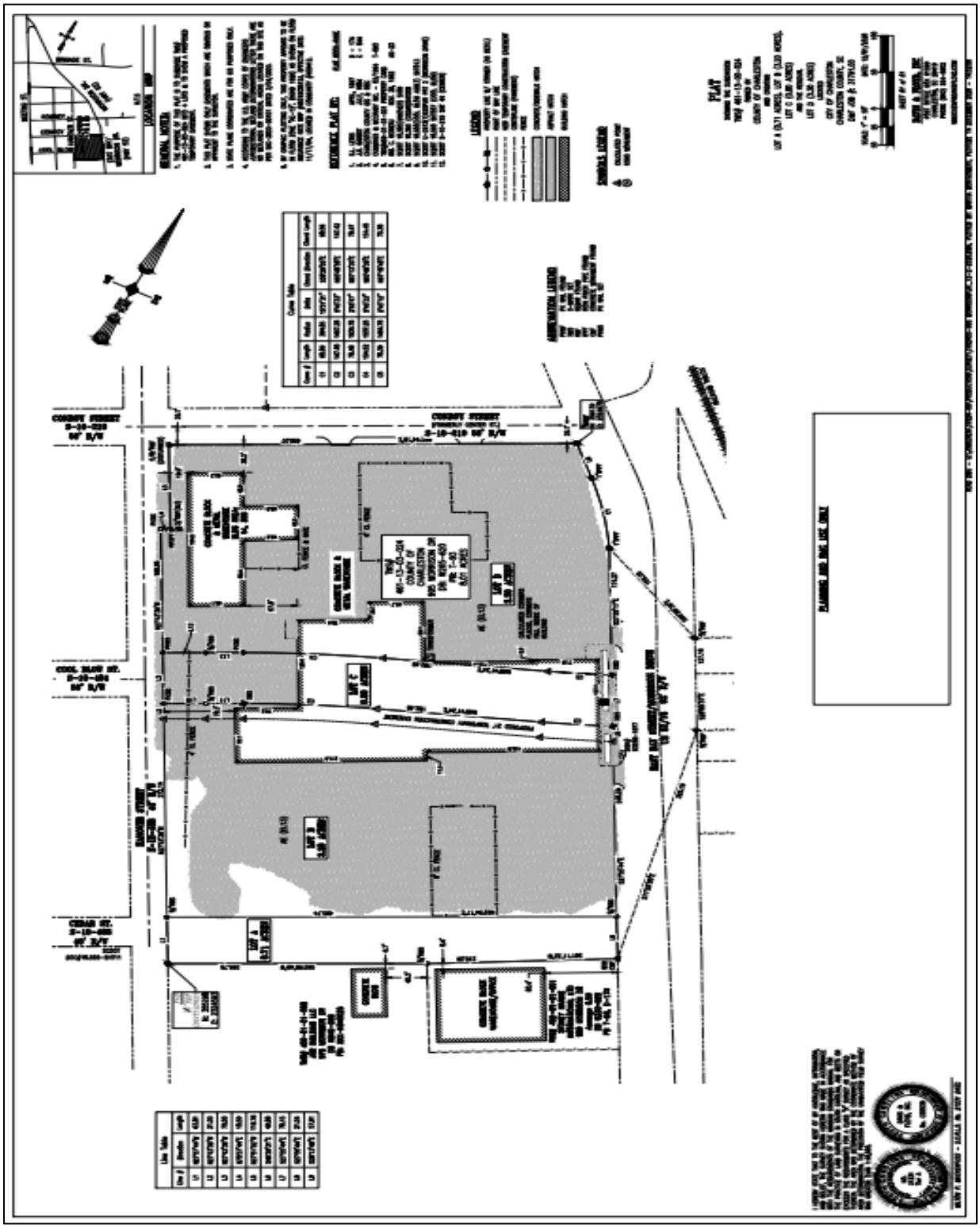
View of Hanover Street
(Photo Taken on December 14, 2021)

View of Conroy Street
(Photo Taken on December 14, 2021)

Morrison Drive Looking North
(Photo Taken on December 14, 2021)

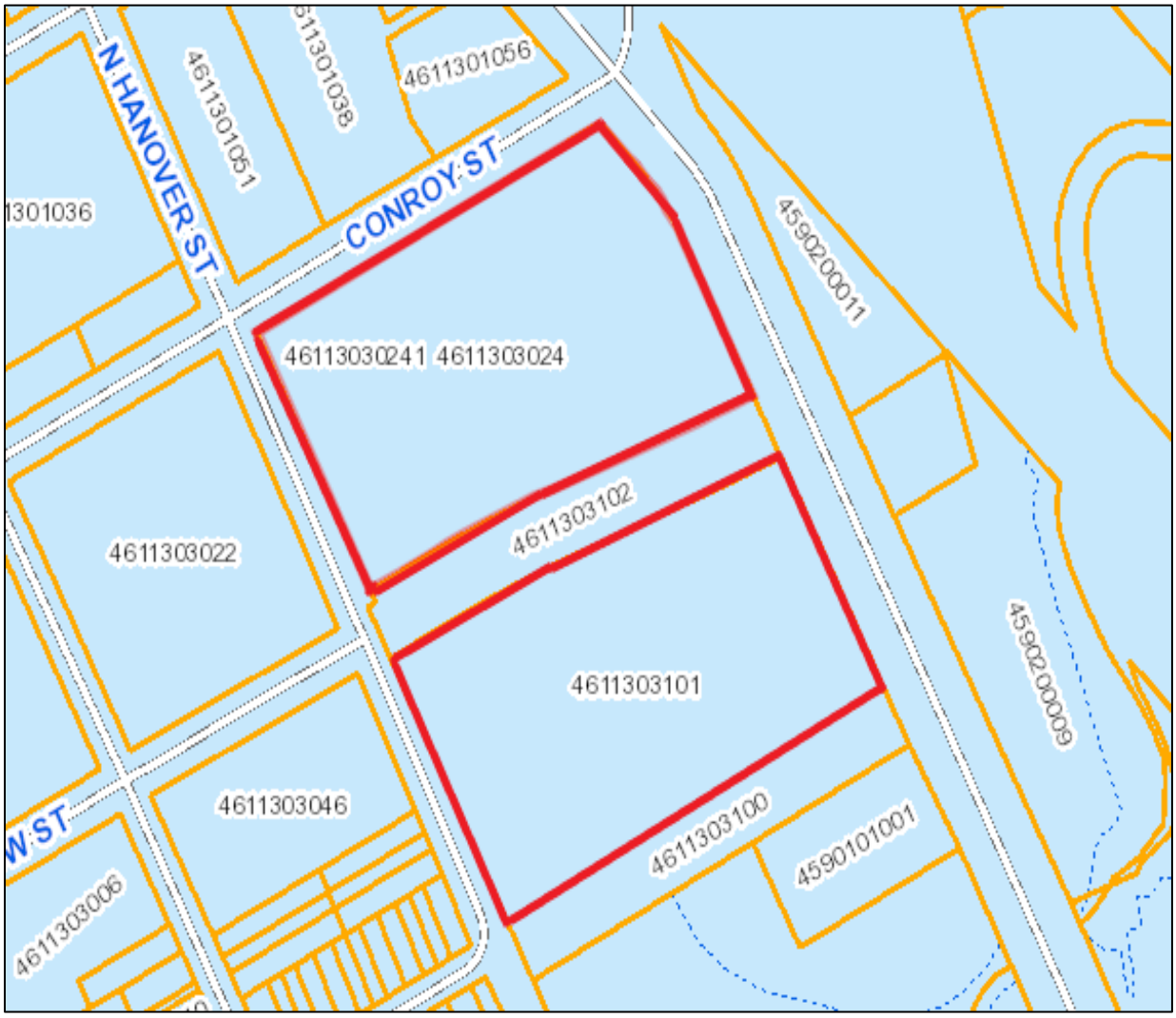
Morrison Drive Looking South
(Photo Taken on December 14, 2021)

Survey



Survey: Property Divided Into 4 Lots

Tax Map


N HANOVER ST
CONROY ST
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4611301038
4611301056
1301036
46113030241 4611303024
4611303102
4611303022
4611303101
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4590200011
4590200009
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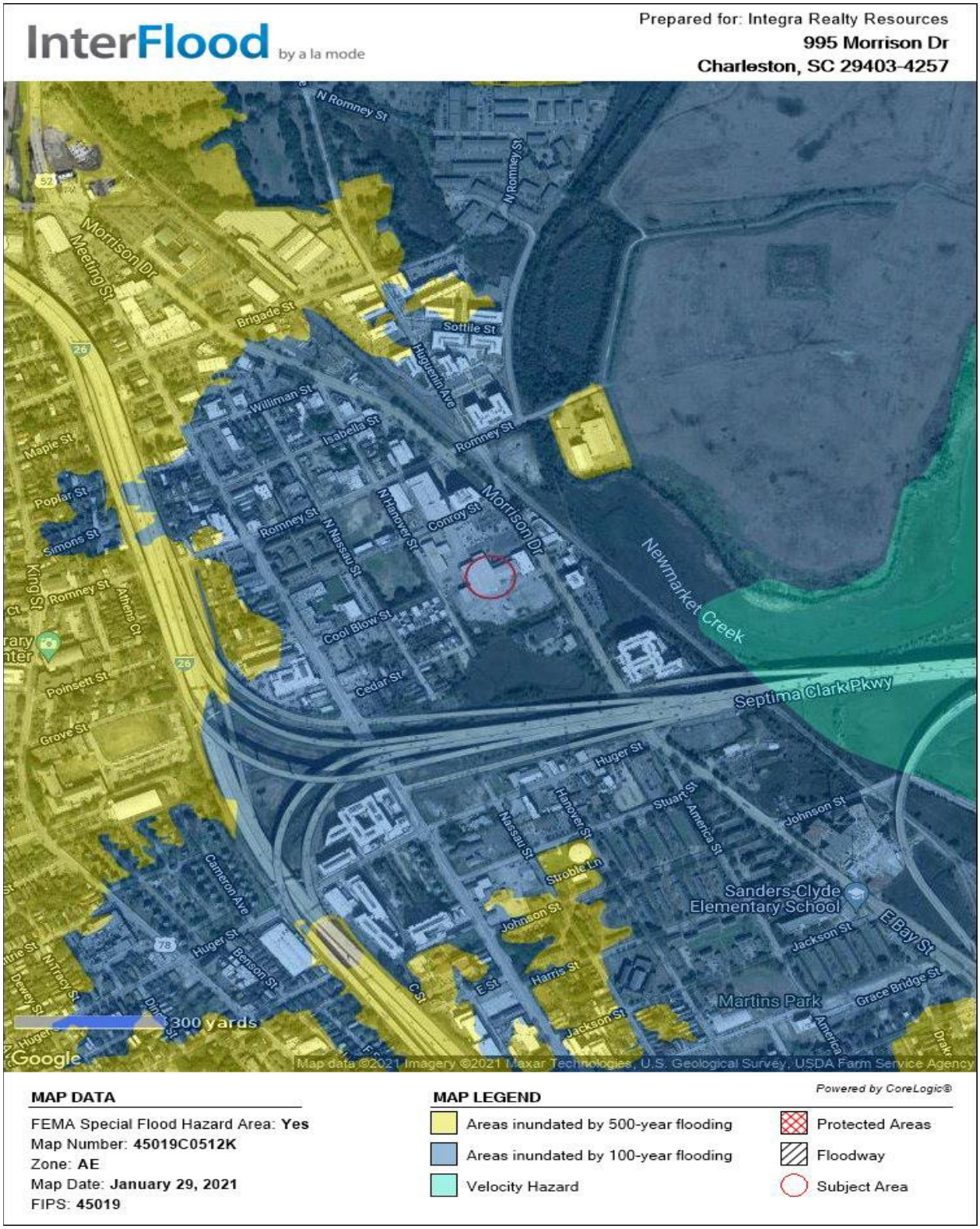
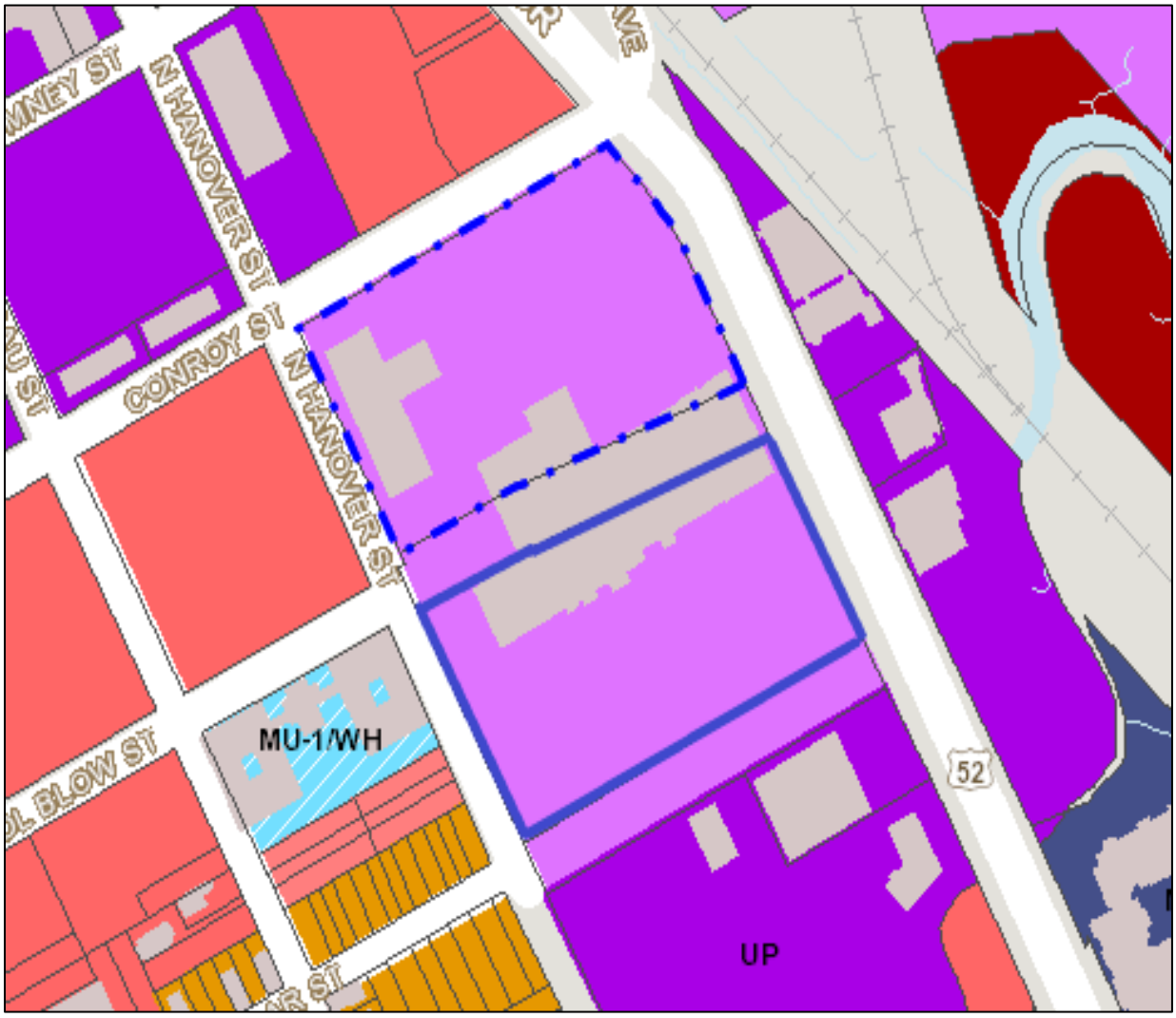
W ST

Aerial Photo

Flood Hazard Map



Zoning Map



Zoning PUD Workforce Housing Requirement

2.4 Workforce Housing

At all times from the enactment of the Laurel Island PUD, during the development of the Laurel Island Site, upon the completion of the development thereof, and at all times thereafter no less than ten (10%) percent of all residential dwelling units located on the Laurel Island Site shall be Workforce Housing (the "Permanent Workforce Housing"). Furthermore, an additional ten (10%) percent of such newly-constructed residential dwelling units located on the Laurel Island Site shall also be Workforce Housing (the "Amortized Workforce Housing") for a period of ten (10) years commencing on the lease date for each such unit (the "Amortization Period"). The City's Department of Housing and Community Development shall verify Workforce Housing on the Laurel Island Site according to its standard procedures. Additionally, the Zoning Administrator shall verify compliance with the Workforce Housing requirements set forth herein (1) when a building permit has been obtained for the 1,278th dwelling unit on the Laurel Island Site; and (2) when a building permit has been obtained for 2,556th dwelling unit on the Laurel Island Site.

Workforce Housing, whether Permanent Workforce Housing or Amortized Workforce Housing shall mean Rental Workforce Housing Units to Qualified Households for Affordable Rent, as such terms are defined below. Nothing herein shall prevent or prohibit the relocation, replacement, or reduction (of the overall percentage) of Workforce Housing within the Laurel Island Site from time to time, provided the overall percentage of Permanent Workforce Housing shall not be less than ten (10%) percent of all dwelling units located on the Laurel Island Site and the Amortized Workforce Housing shall not, during the applicable Amortization Period, be less than ten (10%) percent of the total of all of the non-Permanent Workforce Housing dwelling units located on the Laurel Island Site.

Rental Workforce Housing Unit: A dwelling unit, where occupants have, in the aggregate, household income less than or equal to eighty (80%) percent of the area median income (AMI) for rental units.

Qualified Household: Households where occupants have, in the aggregate, a household income less than or equal to eighty (80%) percent of the area median income (AMI) for rental workforce housing units.

Affordable Rent: An amount equal to thirty (30%) percent of eighty (80%) percent of the annual Income Limits as published by the City of Charleston Department of Housing and Community Development, or its successors, for the median household size. In the absence of such information, the annual rent charged by the owner shall not exceed thirty (30%) percent of the annual household income.

Household Income: All sources of financial support, both cash and in kind, of adult occupants of the housing unit, to include wages, salaries, tips, commissions, all forms of self-employment income, interest, dividends, net rental income, income from estates or trusts, Social Security benefits, railroad retirement benefits, Supplemental Security income, Aid to Families with Dependent Children or other public assistance welfare programs, other sources of income regularly received, including Veterans' (VA) payments, unemployment compensation and alimony, and awards, prizes, government or institutional or eleemosynary loans, grants or subsidies and contributions made by the household members' families for medical, personal or educational needs.

Area Median Income (AMI): Area median income (AMI) shall be as determined annually by the City of Charleston Department of Housing and Community Development, or its successors.

Real Estate Taxes

Historically, Assessor's market values have generally been lower than true market value. Assessed values for commercial property are based on a current conversion ratio of 6% of assessor's market value. The formula for calculating taxes is presented below.

Assessor's Market Value X 6% = Assessed Value

Assessed Value X Millage Rate = Gross Taxes

Gross Taxes - Tax Credits = Net Taxes

In 2006, the State of South Carolina passed a new real estate law which changes the way real estate taxes are assessed. Under the old laws, property tax values only changed during county-wide reassessments. Under the 2006 law, property tax values are reassessed when there is an "Assessable Transfer of Interest", or ATI which is usually a change in ownership due to a sale. Also, as part of the new law, any new leases that have a term of 20 years or more will also be reappraised. Once the property is sold, the new appraised value would be applied the following year. For example, if a property were on the tax rolls based on a value of $1,000,000 and the property sold for $2,000,000, the appraised value on the tax rolls would increase to $2,000,000 for the next year. The new law also "caps" all properties at the previous reassessment value, plus no more than 15% on subsequent reassessments. Assessments are required every five years.

In 2011, the South Carolina General Assembly changed those rules to create a discount for commercial properties, including rental properties and second homes. Under the changes, the property is still reassessed if there is a transfer of interest, but the new value is discounted by 25% if the owner applies for a "commercial exemption". The discounted assessment cannot be lower than the assessment prior to the sale or transfer. Therefore, a property's value would have to increase 33% to trigger a tax increase related to a sale. For example, if a $1 million property was sold for up to $1.33 million, and the new value was discounted by the 25% exemption, the assessment would go back down to $1 million. The 25% exemption is not automatic. **The purchaser must apply for the exemption by January 30th of the year prior to the next reassessment.**

The subject property is located in Charleston County Tax District 7-1, the City of Charleston. The 2023 total millage rate was 307.2 and the sales tax credit factor is 0.00201. The 2024 millage rate will noty be released until later in the fall. The 2024 millage rate will not be set until the fall. As a result, we have applied a 2.0% increase for an estimated millage rate of 313.3 (307.2 increased by 2% = 313.3).

The property is owned by Charleston County and is exempt from paying real estate taxes.

As the concluded market value is based on the presumed sale of the property, we have projected real estate taxes based on our value conclusions. Projected taxes for the subject parcels under the various valuation scenarios are summarized below.

Taxes and Assessments - 2021

	Assessed Value				Taxes and Assessments			
Tax ID	Market Value	Less 25% Exemption	Taxable Value	Taxable Assessment	Millage Rate	Ad Valorem Taxes	Sales Tax Credit	Total
Value Scenario 1								
Lot B	$18,120,000	$4,530,000	$13,590,000	$815,400	313.3	$255,465	-$27,316	$228,149
Lot D	$19,410,000	$4,530,000	$14,880,000	$892,800	313.3	$279,714	-$29,909	$249,805
Value Scenario 2								
Lot E	$9,000,000	$2,250,000	$6,750,000	$405,000	313.3	$126,887	-$13,568	$113,319
Lot F	$9,460,000	$2,365,000	$7,095,000	$425,700	313.3	$133,372	-$14,261	$119,111
Lot G	$10,060,000	$2,515,000	$7,545,000	$452,700	313.3	$141,831	-$15,165	$126,665
Lot H	$10,060,000	$2,515,000	$7,545,000	$452,700	313.3	$141,831	-$15,165	$126,665
Value Scenario 3								
Lot B	$11,850,000	$2,962,500	$8,887,500	$533,250	313.3	$167,067	-$17,864	$149,203
Lot D	$12,940,000	$3,235,000	$9,705,000	$582,300	313.3	$182,435	-$19,507	$162,928
Value Scenario 4								
Lot E	$9,000,000	$2,250,000	$6,750,000	$405,000	313.3	$126,887	-$13,568	$113,319
Lot F	$9,460,000	$2,365,000	$7,095,000	$425,700	313.3	$133,372	-$14,261	$119,111
Lot G	$10,060,000	$2,515,000	$7,545,000	$452,700	313.3	$141,831	-$15,165	$126,665
Lot H	$6,830,000	$1,707,500	$5,122,500	$307,350	313.3	$96,293	-$10,296	$85,997
Value Scenario 5								
Lot E	$9,000,000	$2,250,000	$6,750,000	$405,000	313.3	$126,887	-$13,568	$113,319
Lot F	$6,180,000	$1,545,000	$4,635,000	$278,100	313.3	$87,129	-$9,316	$77,812
Lot G	$10,060,000	$2,515,000	$7,545,000	$452,700	313.3	$141,831	-$15,165	$126,665
Lot H	$6,830,000	$1,707,500	$5,122,500	$307,350	313.3	$96,293	-$10,296	$85,997
Value Scenario 6								
Lot E	$9,000,000	$2,250,000	$6,750,000	$405,000	313.3	$126,887	-$13,568	$113,319
Lot F	$9,460,000	$2,365,000	$7,095,000	$425,700	313.3	$133,372	-$14,261	$119,111
Lot G	$8,660,000	$2,165,000	$6,495,000	$389,700	313.3	$122,093	-$13,055	$109,038
Lot H	$7,780,000	$1,945,000	$5,835,000	$350,100	313.3	$109,686	-$11,728	$97,958

Typically, tax comparable properties would be used to assess the reasonableness of the subject taxes; however, due to the changes in the tax law and the assessable transfer of interest; equitable taxes no longer provide a basis for reasonable tax treatment.

Highest and Best Use

The highest and best use of a property is the reasonably probable use resulting in the highest value, and represents the use of an asset that maximizes its productivity.

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as though vacant, and as improved or proposed. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

As Though Vacant

First, the property is evaluated as though vacant, with no improvements.

Physically Possible

The physical characteristics of the site do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses.

Legally Permissible

The site is zoned PUD (Laurel Island), Planned Unit Development. Permitted uses include most commercial and residential uses. Any specific development must be approved. Residential development must include 10% workforce housing.. There are no apparent legal restrictions, such as easements or deed restrictions, effectively limiting the use of the property. Given prevailing land use patterns in the area, only mixed use is given further consideration in determining highest and best use of the site, as though vacant.

Financially Feasible

Based on the accompanying analysis of the market, there is currently adequate demand for mixed use in the subject's area. It appears a newly developed mixed use on the site would have a value commensurate with its cost. Therefore, mixed use is considered to be financially feasible.

Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than mixed use. Accordingly, mixed use, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Development of the site for mixed use is the only use which meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as though vacant.

As Improved

The subject is improved with 80,884 square feet of office and industrial space which was formerly used by the City Magistrate and Small Claims Court, the Charleston County Disabilities Board and Charleston County for vehicle storage. The improvements were originally constructed in 1973 and have reached the end of their economic life. A significant portion of the main building is located on Lot C which was purchased for the development of the bridge to Laurel Island.

Accordingly, the highest and best use is to redevelop the site for mixed use development.

Most Probable Buyer

Taking into account the characteristics of the site, as well as area development trends, the probable buyer for each parcel is a developer.

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

Sales Comparison Approach

To develop an opinion of the subject's land value, as though vacant and available to be developed to its highest and best use, the sales comparison approach is used. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties.

We will the various components of the subject property under the requested valuation scenarios as requested by the client.

Values Reported

Scenario	Interest Appraised	Effective Date
1. Subject divided into two parcels		
Parcel B	Fee Simple	9/26/2024
Parcel D	Fee Simple	9/26/2024
2. Subject dividved into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H	Fee Simple	9/26/2024
3. Subject divided into two parcels		
Parcel B - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
Parcel D - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
4. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
5. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
Parcel G	Fee Simple	9/26/2024
Parcel H - Deed Restriction Affordable Housing	Fee Simple	9/26/2024
6. Subject divded into four parcels		
Parcel E	Fee Simple	9/26/2024
Parcel F	Fee Simple	9/26/2024
Parcel G - 1.41 Acres	Fee Simple	9/26/2024
Parcel H - 1.88 acres Affordable Housing	Fee Simple	9/26/2024

The property is divided for valuation purposes as follows:

Land Parcels

Name	SF	Acres	Unit of Comparison
Lot B	139,392	3.20	Total SF
Lot D	143,748	3.30	Total SF
Lot E	66,647	1.53	Total SF
Lot F	72,745	1.67	Total SF
Lot G	71,874	1.65	Total SF
Lot H	71,874	1.65	Total SF
Lot G (Scenario 6)	61,855	1.42	Total SF
Lot H (Scenario 6)	81,893	1.88	Total SF

The subject is improved with 80,884 square feet of office and industrial space which was formerly used by the City Magistrate and Small Claims Court, the Charleston County Disabilities Board and Charleston County for vehicle storage. The improvements were originally constructed in 1973 and have reached the end of their economic life.

The main building will be demolished as part of the construction of the bridge to Laurel Island on Lot B. The property owner is in process of obtaining bids to demolish the building located on Lot D near the corner of Conroy Street and Hanover Street. As such, we have not deducted any building demolition costs in the valuation of either subject parcel.

Valuation Scenario 1: Lots B and D

To apply the sales comparison approach for Valuation Scenario 1: Lots B and D, the research focused on transactions within the following parameters:

- Location: Upper Charleston peninsula
- Size: 0.20 to 5.00 acres
- Use: Commercial development
- Transaction Date: Within past four years

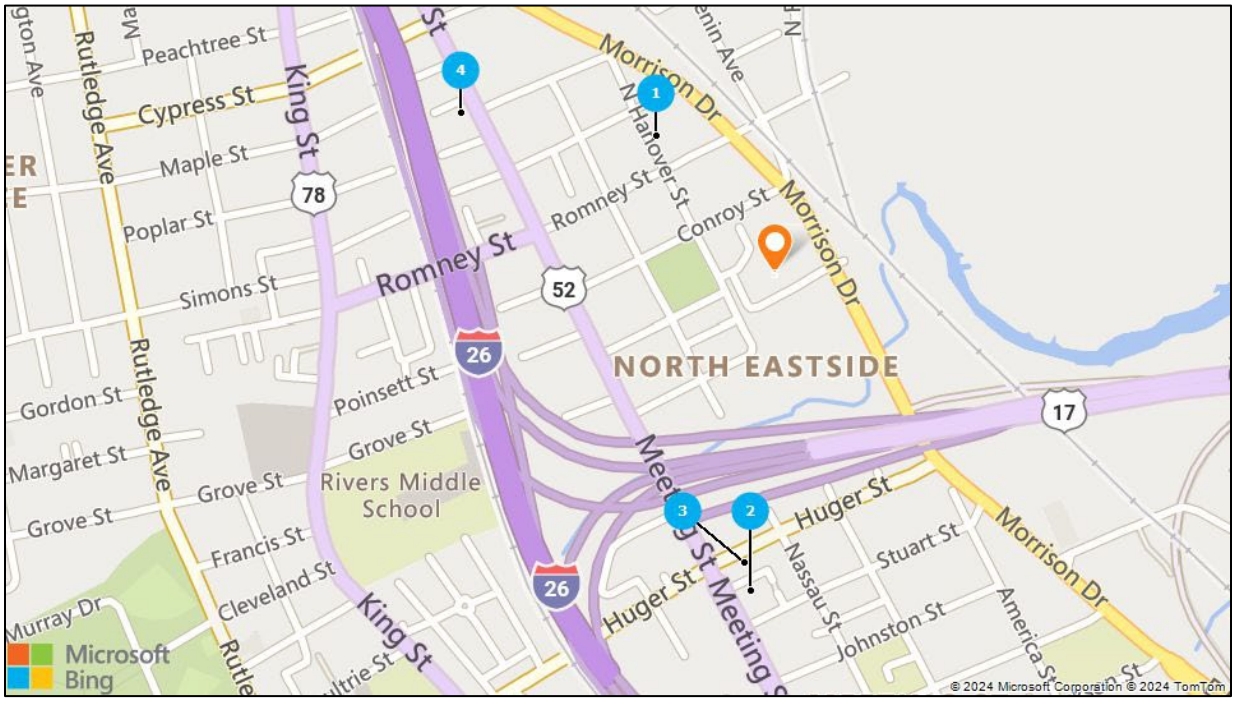
There have been limited recent transactions in the area. Therefore, we have extended our research to sales within four years of the effective appraisal date. We are aware of a property under contract which is discussed later in the report but is not included in the analysis.

For this analysis, price per square foot is used as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table:

Summary of Comparable Land Sales

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Zoning	$/SF Land	$/Acre
1	0.213 Acre of Land 428 Hanover St. Charleston Charleston County SC	Apr-22 Closed	$1,260,000	9,139 0.21	UP	$137.87	$6,005,720
	Comments: Adjacent parcels purchased for redevelopment. One parcel improved with an older, single family residence and the other with a small office building. The improvements add no economic value to the site. The estimated demolition cost of the buildings is reflected in the effective sales price.						
2	Proposed Apartments Land 584 Meeting St. Charleston Charleston County SC	Apr-21 Closed	$8,040,000	70,567 1.62	GB	$113.93	$4,962,963
	Comments: Site purchased for development of 250 apartment units. The property was improved with a 6,575 square foot church at the time of sale. The estimated demolition cost of $40,000 is reflected in the effective sales price. Property in City Height 5 zone which allows 5 story developments.						
3	0.463 Acre - Charleston 245 Huger St. Charleston Charleston County SC	Sep-20 Closed	$2,700,000	20,187 0.46	UP	$133.75	$5,826,500
4	0.55 Acre - Charleston 737-741 Meeting St. Charleston Charleston County SC	Jun-20 Closed	$2,660,000	23,958 0.55	LB	$111.03	$4,836,364
	Comments: Selling Broker : Buddy Bebergal, Carolina Commercial LLC, 843.805.6060. The effective sales price shown includes an estimate for cost to demo the existing improvements of a 7000 SF office.						
	Subject Charleston County Properties Charleston, SC			139,392 3.20	PUD (Laurel Island)		

Comparable Land Sales Map



Sale 1
0.213 Acre of Land

Sale 2
Proposed Apartments Land

Sale 3
0.463 Acre - Charleston

Sale 4
0.55 Acre - Charleston

Adjustment Factors

The sales are compared to the subject and adjusted to account for material differences that affect value. Adjustments are considered for the following factors, in the sequence shown below.

Adjustment Factors	
Effective Sale Price	Accounts for atypical economics of a transaction, such as demolition cost, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale, related-parties transaction.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.
Location	Market or submarket area influences on sale price; surrounding land use influences.
Access/Exposure	Convenience to transportation facilities; ease of site access; visibility from main thoroughfares; traffic counts.
Size	Inverse relationship that often exists between parcel size and unit value.
Shape and Topography	Primary physical factors that affect the utility of a site for its highest and best use.
Zoning	Government regulations that affect the types and intensities of uses allowable on a site.
Entitlements	The specific level of governmental approvals attained pertaining to development of a site.

Analysis and Adjustment of Sales

Adjustments are based on a rating of each comparable sale in relation to the subject. The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of both analyses. Quantitative adjustments are often developed as dollar or percentage amounts, and are most credible when there is sufficient data to perform a paired sales analysis.

While percentage adjustments are presented in the adjustment grid, they are based on qualitative judgment rather than empirical research, as there is not sufficient data to develop a sound quantitative estimate. Although the adjustments appear to be mathematically precise, they are merely intended to illustrate an opinion of typical market activity and perception. With the exception of market conditions, the adjustments are based on a scale, with a minor adjustment in the range of 1-5% and a substantial adjustment considered to be 20% or greater.

The rating of each comparable sale in relation to the subject is the basis for the adjustments. If the comparable is superior to the subject, its sale price is adjusted downward to reflect the subject's relative attributes; if the comparable is inferior, its price is adjusted upward.

Adjustments are considered for the following factors, in the sequence shown below.

Real Property Rights Conveyed

All of the sales are in the fee simple estate. No adjustments are necessary.

Financing Terms

For this analysis, no adjustments are necessary.

Conditions of Sale

For this analysis, no adjustments are necessary.

Market Conditions

The sales took place from June 2020 to April 2022. Market conditions were generally improving during this time until recent increases in interest rates caused a decrease in demand for real estate. To account for these trends, we have applied upward adjustments of 3.0% per year until November 2022, when demand began to decline. Following this date, annual 1.0% adjustments are applied through the effective date of value. Calculations of the resulting net adjustments are shown as follows.

Market Conditions Adjustment

	Comp #	1	2	3	4
	Sale Date	4/14/2022	4/22/2021	9/15/2020	6/17/2020
Date	Annual Growth Rate				
11/1/2022	3%	1.65%	4.59%	6.39%	7.13%
9/26/2024	1%	1.90%	1.90%	1.90%	1.90%
Total		3.56%	6.49%	8.29%	9.03%
Rounded		4%	6%	8%	9%

Analysis and Adjustment of Sales: Lot B

The analysis of the comparable sales is described in the following paragraphs.

Land Sale 1 is a 0.21 acre, or 9,139 square foot parcel located at 428 Hanover St., Charleston, Charleston County. The property sold in April 2022 for $1,250,000. Adjusting for building demolition costs, the effective sale price is $1,260,000, or $137.87 per square foot. An upward adjustment of 4% is indicated for market conditions. A downward adjustment of 10% is indicated for size. Overall, a downward adjustment is indicated.

Land Sale 2 is a 1.62 acre, or 70,567 square foot, parcel located at 584 Meeting St., Charleston, Charleston County, SC. The property sold in April 2021 for $8,000,000. Adjusting for building demolition costs, the effective sale price is $8,040,000, or $113.93 per square foot. Upward adjustments are indicated for market conditions (6%) and zoning (10%). Downward adjustments are indicated for access/exposure (5%) and size (5%). Overall, an upward adjustment is indicated.

Land Sale 3 is a 0.46 acre, or 20,187 square foot, parcel located at 245 Huger St., Charleston, Charleston County, SC. The property sold in September 2020 for $2,700,000, or $133.75 per square foot. An upward adjustment of 8% is indicated for market conditions. A downward adjustment of 10% is indicated for size. Overall, a slight downward adjustment is indicated.

Land Sale 4 is a 0.55 acre, or 23,958 square foot, parcel located at 737-741 Meeting St., Charleston, Charleston County, SC. The property sold in June 2020 for $2,625,000. Adjusting for building demolition costs, the effective sale price is $2,660,000, or $111.03 per square foot. Upward adjustments are indicated for market conditions (9%), shape and topography (5%), and zoning (15%). A downward adjustment of 10% is indicated for size. Overall, an upward adjustment is indicated.

The following table summarizes the adjustments we make to each sale.

Land Sales Adjustment Grid - Lot B					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Charleston County Properties	0.213 Acre of Land	Proposed Apartments Land	0.463 Acre - Charleston	0.55 Acre - Charleston
Address	995 Morrison Drive	428 Hanover St.	584 Meeting St.	245 Huger St.	737-741 Meeting St.
City	Charleston	Charleston	Charleston	Charleston	Charleston
County	Charleston	Charleston	Charleston	Charleston	Charleston
State	South Carolina	SC	SC	SC	SC
Sale Date		Apr-22	Apr-21	Sep-20	Jun-20
Sale Status		Closed	Closed	Closed	Closed
Sale Price		$1,250,000	$8,000,000	$2,700,000	$2,625,000
Price Adjustment		$10,000	$40,000	–	$35,000
Description of Adjustment		Demolition Costs	Demolition Costs		Demolition Costs
Effective Sale Price		$1,260,000	$8,040,000	$2,700,000	$2,660,000
Square Feet	139,392	9,139	70,567	20,187	23,958
Acres	3.20	0.21	1.62	0.46	0.55
Corner	No	No	Yes	No	No
Zoning Code	PUD (Laurel Island)	UP	GB	UP	LB
Shape	Rectangular	Rectangular	Rectangular	Rectangular	Irregular
Topography	Level	Level	Level	Level	Level
Water	Yes	Yes	Yes	Yes	Yes
Sewer	Yes	Yes	Yes	Yes	Yes
Price per Square Foot		**$137.87**	**$113.93**	**$133.75**	**$111.03**
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		–	–	–	–
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		–	–	–	–
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length
% Adjustment		–	–	–	–
Market Conditions	9/26/2024	Apr-22	Apr-21	Sep-20	Jun-20
Annual % Adjustment	Variable	4%	6.0%	8.0%	9.0%
Cumulative Adjusted Price		**$143.39**	**$120.77**	**$144.45**	**$121.02**
Location		–	–	–	–
Access/Exposure		–	-5%	–	–
Size		-10%	-5%	-10%	-10%
Shape and Topography		–	–	–	5%
Zoning		–	10%	–	15%
Entitlements		–	–	–	–
Net $ Adjustment		-$14.34	$0.00	-$14.44	$12.10
Net % Adjustment		-10%	0%	-10%	10%
Final Adjusted Price		**$129.05**	**$120.77**	**$130.00**	**$133.12**
Overall Adjustment		-6%	6%	-3%	20%

Range of Adjusted Prices	**$120.77 - $133.12**
Average	**$128.24**
Indicated Value	**$130.00**

Land Value Conclusion – Lot B

Prior to adjustments, the sales reflect a range of $111.03 - $137.87 per square foot. After adjustment, the range is narrowed to $120.77 - $133.12 per square foot, with an average of $128.24 per square foot. To arrive at an indication of value, we place equal emphasis on all sales.

Based on the preceding analysis, we reach a land value conclusion as follows:

Land Value Conclusion	
Lot B	
Indicated Value per Square Foot	$130.00
Subject Square Feet	139,392
Indicated Value	$18,120,960
Rounded	$18,120,000

The indicated value above is further supported by the ILA Union Hall site located at 1142 Morrison Drive. The 4.452-acre parcel is reportedly under contract. We were unable to confirm the exact purchase price with the listing broker. Based on conversations with the broker though, it appears that our value per square foot conclusion is in line with the potential sale price.

Analysis and Adjustment of Sales: Lot D

For the valuation of Lot D, we have analyzed the same sales as Lot B.

Land Sale 1 is a 0.21 acre, or 9,139 square foot parcel located at 428 Hanover St., Charleston, Charleston County. The property sold in April 2022 for $1,250,000. Adjusting for building demolition costs, the effective sale price is $1,260,000, or $137.87 per square foot. Upward adjustments are indicated for market conditions (4%) and access/exposure (5%). A downward adjustment of 10% is indicated for size. Overall, a slight downward adjustment is indicated.

Land Sale 2 is a 1.62 acre, or 70,567 square foot, parcel located at 584 Meeting St., Charleston, Charleston County, SC. The property sold in April 2021 for $8,000,000. Adjusting for building demolition costs, the effective sale price is $8,040,000, or $113.93 per square foot. Upward adjustments are indicated for market conditions (6%) and zoning (10%). A downward adjustment of 5% is indicated for size. Overall, an upward adjustment is indicated.

Land Sale 3 is a 0.46 acre, or 20,187 square foot, parcel located at 245 Huger St., Charleston, Charleston County, SC. The property sold in September 2020 for $2,700,000, or $133.75 per square foot. Upward adjustments are indicated for market conditions (8%) and access/exposure (5%). A downward adjustment of 10% is indicated for size. Overall, a slight upward adjustment is indicated.

Land Sale 4 is a 0.55 acre, or 23,958 square foot, parcel located at 737-741 Meeting St., Charleston, Charleston County, SC. The property sold in June 2020 for $2,625,000. Adjusting for building demolition costs, the effective sale price is $2,660,000, or $111.03 per square foot. Upward adjustments are indicated for market conditions (9%), access/exposure (5%), shape and topography (5%), and zoning (15%). A downward adjustment of 10% is indicated for size. Overall, a substantial upward adjustment is indicated.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Lot D					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Charleston County Properties	0.213 Acre of Land	Proposed Apartments Land	0.463 Acre - Charleston	0.55 Acre - Charleston
Address	995 Morrison Drive	428 Hanover St.	584 Meeting St.	245 Huger St.	737-741 Meeting St.
City	Charleston	Charleston	Charleston	Charleston	Charleston
County	Charleston	Charleston	Charleston	Charleston	Charleston
State	South Carolina	SC	SC	SC	SC
Sale Date		Apr-22	Apr-21	Sep-20	Jun-20
Sale Status		Closed	Closed	Closed	Closed
Sale Price		$1,250,000	$8,000,000	$2,700,000	$2,625,000
Price Adjustment		$10,000	$40,000	–	$35,000
Description of Adjustment		Demolition Costs	Demolition Costs		Demolition Costs
Effective Sale Price		$1,260,000	$8,040,000	$2,700,000	$2,660,000
Square Feet	143,748	9,139	70,567	20,187	23,958
Acres	3.30	0.21	1.62	0.46	0.55
Corner	Yes	No	Yes	No	No
Zoning Code	PUD (Laurel Island)	UP	GB	UP	LB
Shape	Rectangular	Rectangular	Rectangular	Rectangular	Irregular
Topography	Level	Level	Level	Level	Level
Water	Yes	Yes	Yes	Yes	Yes
Sewer	Yes	Yes	Yes	Yes	Yes
Price per Square Foot		**$137.87**	**$113.93**	**$133.75**	**$111.03**
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		–	–	–	–
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		–	–	–	–
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length
% Adjustment		–	–	–	–
Market Conditions	9/26/2024	Apr-22	Apr-21	Sep-20	Jun-20
Annual % Adjustment	Variable	4%	6.0%	8.0%	9.0%
Cumulative Adjusted Price		**$143.39**	**$120.77**	**$144.45**	**$121.02**
Location		–	–	–	–
Access/Exposure		5%	–	5%	5%
Size		-10%	-5%	-10%	-10%
Shape and Topography		–	–	–	5%
Zoning		–	10%	–	15%
Entitlements		–	–	–	–
Net $ Adjustment		-$7.17	$6.04	-$7.22	$18.15
Net % Adjustment		-5%	5%	-5%	15%
Final Adjusted Price		**$136.22**	**$126.81**	**$137.23**	**$139.17**
Overall Adjustment		-1%	11%	3%	25%

Range of Adjusted Prices	**$126.81 - $139.17**
Average	**$134.86**
Indicated Value	**$135.00**

Land Value Conclusion – Lot D

Prior to adjustments, the sales reflect a range of $111.03 - $137.87 per square foot. After adjustment, the range is narrowed to $126.81 - $139.17 per square foot, with an average of $134.86 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Square Foot	$135.00
Subject Square Feet	143,748
Indicated Value	$19,405,980
Rounded	$19,410,000

Valuation Scenario 2: Lots E, F, G and H

In this valuation scenario, the subject property is divided into four parcels; E, F, G and H as previously discussed in the report. Each parcel will be valued individually.

As discussed in the land description, Parcels E and G are located on Morrison Drive a major transportation route in the area.

The same sales which were used for the valuation of Parcels B and D are again analyzed.

Analysis and Adjustment of Sales: Parcel E

The analysis of the comparable sales is described in the following paragraphs.

Land Sale 1 is a 0.21 acre, or 9,139 square foot parcel located at 428 Hanover St., Charleston, Charleston County. The property sold in April 2022 for $1,250,000. Adjusting for building demolition costs, the effective sale price is $1,260,000, or $137.87 per square foot. An upward adjustment of 4% is indicated for market conditions. A downward adjustment of 5% is indicated for size. Overall, a slight downward adjustment is indicated.

Land Sale 2 is a 1.62 acre, or 70,567 square foot, parcel located at 584 Meeting St., Charleston, Charleston County, SC. The property sold in April 2021 for $8,000,000. Adjusting for building demolition costs, the effective sale price is $8,040,000, or $113.93 per square foot. Upward adjustments are indicated for market conditions (6%) and zoning (10%). A downward adjustment of 5% is indicated for access/exposure. Overall, an upward adjustment is indicated.

Land Sale 3 is a 0.46 acre, or 20,187 square foot, parcel located at 245 Huger St., Charleston, Charleston County, SC. The property sold in September 2020 for $2,700,000, or $133.75 per square foot. An upward adjustment of 8% is indicated for market conditions. A downward adjustment of 5% is indicated for size. Overall, a slight upward adjustment is indicated.

Land Sale 4 is a 0.55 acre, or 23,958 square foot, parcel located at 737-741 Meeting St., Charleston, Charleston County, SC. The property sold in June 2020 for $2,625,000. Adjusting for building demolition costs, the effective sale price is $2,660,000, or $111.03 per square foot. Upward adjustments are indicated for market conditions (9%), shape and topography (5%), and zoning (15%). A downward adjustment of 5% is indicated for size. Overall, a substantial upward adjustment is indicated.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Lot E					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Charleston County Properties	0.213 Acre of Land	Proposed Apartments Land	0.463 Acre - Charleston	0.55 Acre - Charleston
Address	995 Morrison Drive	428 Hanover St.	584 Meeting St.	245 Huger St.	737-741 Meeting St.
City	Charleston	Charleston	Charleston	Charleston	Charleston
County	Charleston	Charleston	Charleston	Charleston	Charleston
State	South Carolina	SC	SC	SC	SC
Sale Date		Apr-22	Apr-21	Sep-20	Jun-20
Sale Status		Closed	Closed	Closed	Closed
Sale Price		$1,250,000	$8,000,000	$2,700,000	$2,625,000
Price Adjustment		$10,000	$40,000	–	$35,000
Description of Adjustment		Demolition Costs	Demolition Costs		Demolition Costs
Effective Sale Price		$1,260,000	$8,040,000	$2,700,000	$2,660,000
Square Feet	66,647	9,139	70,567	20,187	23,958
Acres	1.53	0.21	1.62	0.46	0.55
Corner	No	No	Yes	No	No
Zoning Code	PUD (Laurel Island)	UP	GB	UP	LB
Shape	Rectangular	Rectangular	Rectangular	Rectangular	Irregular
Topography	Level	Level	Level	Level	Level
Water	Yes	Yes	Yes	Yes	Yes
Sewer	Yes	Yes	Yes	Yes	Yes
Price per Square Foot		**$137.87**	**$113.93**	**$133.75**	**$111.03**
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		–	–	–	–
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		–	–	–	–
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length
% Adjustment		–	–	–	–
Market Conditions	9/26/2024	Apr-22	Apr-21	Sep-20	Jun-20
Annual % Adjustment	Variable	4%	6.0%	8.0%	9.0%
Cumulative Adjusted Price		**$143.39**	**$120.77**	**$144.45**	**$121.02**
Location		–	–	–	–
Access/Exposure		–	-5%	–	–
Size		-5%	–	-5%	-5%
Shape and Topography		–	–	–	5%
Zoning		–	10%	–	15%
Entitlements		–	–	–	–
Net $ Adjustment		-$7.17	$6.04	-$7.22	$18.15
Net % Adjustment		-5%	5%	-5%	15%
Final Adjusted Price		**$136.22**	**$126.81**	**$137.23**	**$139.17**
Overall Adjustment		-1%	11%	3%	25%

Range of Adjusted Prices	**$126.81 - $139.17**
Average	**$134.86**
Indicated Value	**$135.00**

Land Value Conclusion – Lot E

Prior to adjustments, the sales reflect a range of $111.03 - $137.87 per square foot. After adjustment, the range is narrowed to $126.81 - $139.17 per square foot, with an average of $134.86 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Lot E	
Indicated Value per Square Foot	$135.00
Subject Square Feet	66,647
Indicated Value	$8,997,345
Rounded	$9,000,000

Analysis and Adjustment of Sales: Parcel F

The analysis of the comparable sales is described in the following paragraphs.

Land Sale 1 is a 0.21 acre, or 9,139 square foot parcel located at 428 Hanover St., Charleston, Charleston County. The property sold in April 2022 for $1,250,000. Adjusting for building demolition costs, the effective sale price is $1,260,000, or $137.87 per square foot. An upward adjustment of 4% is indicated for market conditions. A downward adjustment of 5% is indicated for access/exposure. Overall, a slight downward adjustment is indicated.

Land Sale 2 is a 1.62 acre, or 70,567 square foot, parcel located at 584 Meeting St., Charleston, Charleston County, SC. The property sold in April 2021 for $8,000,000. Adjusting for building demolition costs, the effective sale price is $8,040,000, or $113.93 per square foot. Upward adjustments are indicated for market conditions (6%) and zoning (10%). A downward adjustment of 10% is indicated for access/exposure. Overall, an upward adjustment is indicated.

Land Sale 3 is a 0.46 acre, or 20,187 square foot, parcel located at 245 Huger St., Charleston, Charleston County, SC. The property sold in September 2020 for $2,700,000, or $133.75 per square foot. An upward adjustment of 8% is indicated for market conditions. Downward adjustments are indicated for access/exposure (5%) and size (5%). Overall, a slight downward adjustment is indicated.

Land Sale 4 is a 0.55 acre, or 23,958 square foot, parcel located at 737-741 Meeting St., Charleston, Charleston County, SC. The property sold in June 2020 for $2,625,000. Adjusting for building demolition costs, the effective sale price is $2,660,000, or $111.03 per square foot. Upward adjustments are indicated for market conditions (9%), shape and topography (5%), and zoning (15%). Downward adjustments are indicated for access/exposure (5%) and size (5%). Overall, an upward adjustment is indicated.

The additional access/exposure adjustment made to the comparable accounts for Parcel F being located on Hanover Street adjacent to the location of the bridge to Laurel Island which limits its access and exposure.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Lot F					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Charleston County Properties	0.213 Acre of Land	Proposed Apartments Land	0.463 Acre - Charleston	0.55 Acre - Charleston
Address	995 Morrison Drive	428 Hanover St.	584 Meeting St.	245 Huger St.	737-741 Meeting St.
City	Charleston	Charleston	Charleston	Charleston	Charleston
County	Charleston	Charleston	Charleston	Charleston	Charleston
State	South Carolina	SC	SC	SC	SC
Sale Date		Apr-22	Apr-21	Sep-20	Jun-20
Sale Status		Closed	Closed	Closed	Closed
Sale Price		$1,250,000	$8,000,000	$2,700,000	$2,625,000
Price Adjustment		$10,000	$40,000	–	$35,000
Description of Adjustment		Demolition Costs	Demolition Costs		Demolition Costs
Effective Sale Price		$1,260,000	$8,040,000	$2,700,000	$2,660,000
Square Feet	72,745	9,139	70,567	20,187	23,958
Acres	1.67	0.21	1.62	0.46	0.55
Corner	No	No	Yes	No	No
Zoning Code	PUD (Laurel Island)	UP	GB	UP	LB
Shape	Rectangular	Rectangular	Rectangular	Rectangular	Irregular
Topography	Level	Level	Level	Level	Level
Water	Yes	Yes	Yes	Yes	Yes
Sewer	Yes	Yes	Yes	Yes	Yes
Price per Square Foot		**$137.87**	**$113.93**	**$133.75**	**$111.03**
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		–	–	–	–
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		–	–	–	–
Conditions of Sale			Arm's Length	Arm's Length	Arm's Length
% Adjustment		–	–	–	–
Market Conditions	9/26/2024	Apr-22	Apr-21	Sep-20	Jun-20
Annual % Adjustment	Variable	4%	6.0%	8.0%	9.0%
Cumulative Adjusted Price		**$143.39**	**$120.77**	**$144.45**	**$121.02**
Location		–	–	–	–
Access/Exposure		-5%	-10%	-5%	-5%
Size		–	–	-5%	-5%
Shape and Topography		–	–	–	5%
Zoning		–	10%	–	15%
Entitlements		–	–	–	–
Net $ Adjustment		-$7.17	$0.00	-$14.44	$12.10
Net % Adjustment		-5%	0%	-10%	10%
Final Adjusted Price		**$136.22**	**$120.77**	**$130.00**	**$133.12**
Overall Adjustment		-1%	6%	-3%	20%

Range of Adjusted Prices	**$120.77 - $136.22**
Average	**$130.03**
Indicated Value	**$130.00**

Land Value Conclusion – Lot F

Prior to adjustments, the sales reflect a range of $111.03 - $137.87 per square foot. After adjustment, the range is narrowed to $120.77 - $136.22 per square foot, with an average of $130.03 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Lot F	
Indicated Value per Square Foot	$130.00
Subject Square Feet	72,745
Indicated Value	$9,456,850
Rounded	$9,460,000

Analysis and Adjustment of Sales: Parcel G

The analysis of the comparable sales is described in the following paragraphs.

Land Sale 1 is a 0.21 acre, or 9,139 square foot parcel located at 428 Hanover St., Charleston, Charleston County. The property sold in April 2022 for $1,250,000. Adjusting for building demolition costs, the effective sale price is $1,260,000, or $137.87 per square foot. Upward adjustments are indicated for market conditions (4%) and access/exposure (5%). A downward adjustment of 5% is indicated for size. Overall, a slight upward adjustment is indicated.

Land Sale 2 is a 1.62 acre, or 70,567 square foot, parcel located at 584 Meeting St., Charleston, Charleston County, SC. The property sold in April 2021 for $8,000,000. Adjusting for building demolition costs, the effective sale price is $8,040,000, or $113.93 per square foot. Upward adjustments are indicated for market conditions (6%) and zoning (5%). Overall, an upward adjustment is indicated.

Land Sale 3 is a 0.46 acre, or 20,187 square foot, parcel located at 245 Huger St., Charleston, Charleston County, SC. The property sold in September 2020 for $2,700,000, or $133.75 per square foot. Upward adjustments are indicated for market conditions (8%) and access/exposure (5%). A downward adjustment of 5% is indicated for size. Overall, an upward adjustment is indicated.

Land Sale 4 is a 0.55 acre, or 23,958 square foot, parcel located at 737-741 Meeting St., Charleston, Charleston County, SC. The property sold in June 2020 for $2,625,000. Adjusting for building demolition costs, the effective sale price is $2,660,000, or $111.03 per square foot. Upward adjustments are indicated for market conditions (9%), access/exposure (5%), shape and topography (5%), and zoning (10%). A downward adjustment of 5% is indicated for size. Overall, a substantial upward adjustment is indicated.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Lot G					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Charleston County Properties	0.213 Acre of Land	Proposed Apartments Land	0.463 Acre - Charleston	0.55 Acre - Charleston
Address	995 Morrison Drive	428 Hanover St.	584 Meeting St.	245 Huger St.	737-741 Meeting St.
City	Charleston	Charleston	Charleston	Charleston	Charleston
County	Charleston	Charleston	Charleston	Charleston	Charleston
State	South Carolina	SC	SC	SC	SC
Sale Date		Apr-22	Apr-21	Sep-20	Jun-20
Sale Status		Closed	Closed	Closed	Closed
Sale Price		$1,250,000	$8,000,000	$2,700,000	$2,625,000
Price Adjustment		$10,000	$40,000	–	$35,000
Description of Adjustment		Demolition Costs	Demolition Costs		Demolition Costs
Effective Sale Price		$1,260,000	$8,040,000	$2,700,000	$2,660,000
Square Feet	71,874	9,139	70,567	20,187	23,958
Acres	1.65	0.21	1.62	0.46	0.55
Corner	Yes	No	Yes	No	No
Zoning Code	PUD (Laurel Island)	UP	GB	UP	LB
Shape	Rectangular	Rectangular	Rectangular	Rectangular	Irregular
Topography	Level	Level	Level	Level	Level
Water	Yes	Yes	Yes	Yes	Yes
Sewer	Yes	Yes	Yes	Yes	Yes
Price per Square Foot		**$137.87**	**$113.93**	**$133.75**	**$111.03**
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		–	–	–	–
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		–	–	–	–
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length
% Adjustment		–	–	–	–
Market Conditions	9/26/2024	Apr-22	Apr-21	Sep-20	Jun-20
Annual % Adjustment	Variable	4%	6.0%	8.0%	9.0%
Cumulative Adjusted Price		**$143.39**	**$120.77**	**$144.45**	**$121.02**
Location		–	–	–	–
Access/Exposure		5%	–	5%	5%
Size		-5%	–	-5%	-5%
Shape and Topography		–	–	–	5%
Zoning		–	5%	–	10%
Entitlements		–	–	–	–
Net $ Adjustment		$0.00	$6.04	$0.00	$18.15
Net % Adjustment		0%	5%	0%	15%
Final Adjusted Price		**$143.39**	**$126.81**	**$144.45**	**$139.17**
Overall Adjustment		4%	11%	8%	25%

Range of Adjusted Prices	**$126.81 - $144.45**
Average	**$138.45**
Indicated Value	**$140.00**

Land Value Conclusion – Lot G

Prior to adjustments, the sales reflect a range of $111.03 - $137.87 per square foot. After adjustment, the range is narrowed to $126.81 - $144.45 per square foot, with an average of $138.45 per square foot. To arrive at an indication of value, equal weight is given to all sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Square Foot	$140.00
Subject Square Feet	71,874
Indicated Value	$10,062,360
Rounded	$10,060,000

Analysis and Adjustment of Sales: Parcel H

The analysis of the comparable sales is described in the following paragraphs.

Land Sale 1 is a 0.21 acre, or 9,139 square foot parcel located at 428 Hanover St., Charleston, Charleston County. The property sold in April 2022 for $1,250,000. Adjusting for building demolition costs, the effective sale price is $1,260,000, or $137.87 per square foot. Upward adjustments are indicated for market conditions (4%) and access/exposure (5%). A downward adjustment of 5% is indicated for size. Overall, a slight upward adjustment is indicated.

Land Sale 2 is a 1.62 acre, or 70,567 square foot, parcel located at 584 Meeting St., Charleston, Charleston County, SC. The property sold in April 2021 for $8,000,000. Adjusting for building demolition costs, the effective sale price is $8,040,000, or $113.93 per square foot. Upward adjustments are indicated for market conditions (6%) and zoning (5%). Overall, an upward adjustment is indicated.

Land Sale 3 is a 0.46 acre, or 20,187 square foot, parcel located at 245 Huger St., Charleston, Charleston County, SC. The property sold in September 2020 for $2,700,000, or $133.75 per square foot. Upward adjustments are indicated for market conditions (8%) and access/exposure (5%). A downward adjustment of 5% is indicated for size. Overall, an upward adjustment is indicated.

Land Sale 4 is a 0.55 acre, or 23,958 square foot, parcel located at 737-741 Meeting St., Charleston, Charleston County, SC. The property sold in June 2020 for $2,625,000. Adjusting for building demolition costs, the effective sale price is $2,660,000, or $111.03 per square foot. Upward adjustments are indicated for market conditions (9%), access/exposure (5%), shape and topography (5%), and zoning (10%). A downward adjustment of 5% is indicated for size. Overall, a substantial upward adjustment is indicated.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid - Lot H					
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4
Name	Charleston County Properties	0.213 Acre of Land	Proposed Apartments Land	0.463 Acre - Charleston	0.55 Acre - Charleston
Address	995 Morrison Drive	428 Hanover St.	584 Meeting St.	245 Huger St.	737-741 Meeting St.
City	Charleston	Charleston	Charleston	Charleston	Charleston
County	Charleston	Charleston	Charleston	Charleston	Charleston
State	South Carolina	SC	SC	SC	SC
Sale Date		Apr-22	Apr-21	Sep-20	Jun-20
Sale Status		Closed	Closed	Closed	Closed
Sale Price		$1,250,000	$8,000,000	$2,700,000	$2,625,000
Price Adjustment		$10,000	$40,000	–	$35,000
Description of Adjustment		Demolition Costs	Demolition Costs		Demolition Costs
Effective Sale Price		$1,260,000	$8,040,000	$2,700,000	$2,660,000
Square Feet	71,874	9,139	70,567	20,187	23,958
Acres	1.65	0.21	1.62	0.46	0.55
Corner	Yes	No	Yes	No	No
Zoning Code	PUD (Laurel Island)	UP	GB	UP	LB
Shape	Rectangular	Rectangular	Rectangular	Rectangular	Irregular
Topography	Level	Level	Level	Level	Level
Water	Yes	Yes	Yes	Yes	Yes
Sewer	Yes	Yes	Yes	Yes	Yes
Price per Square Foot		**$137.87**	**$113.93**	**$133.75**	**$111.03**
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		–	–	–	–
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		–	–	–	–
Conditions of Sale		Arm's Length	Arm's Length	Arm's Length	Arm's Length
% Adjustment		–	–	–	–
Market Conditions	9/26/2024	Apr-22	Apr-21	Sep-20	Jun-20
Annual % Adjustment	Variable	4%	6.0%	8.0%	9.0%
Cumulative Adjusted Price		**$143.39**	**$120.77**	**$144.45**	**$121.02**
Location		–	–	–	–
Access/Exposure		5%	–	5%	5%
Size		-5%	–	-5%	-5%
Shape and Topography		–	–	–	5%
Zoning		–	5%	–	10%
Entitlements		–	–	–	–
Net $ Adjustment		$0.00	$6.04	$0.00	$18.15
Net % Adjustment		0%	5%	0%	15%
Final Adjusted Price		**$143.39**	**$126.81**	**$144.45**	**$139.17**
Overall Adjustment		4%	11%	8%	25%

Range of Adjusted Prices	**$126.81 - $144.45**
Average	**$138.45**
Indicated Value	**$140.00**

Land Value Conclusion – Lot H

Prior to adjustments, the sales reflect a range of $111.03 - $137.87 per square foot. After adjustment, the range is narrowed to $126.81 - $144.45 per square foot, with an average of $138.45 per square foot. To arrive at an indication of value, equal weight is given to al sales.

Based on the preceding analysis, the land value conclusion is as follows:

Land Value Conclusion	
Indicated Value per Square Foot	$140.00
Subject Square Feet	71,874
Indicated Value	$10,062,360
Rounded	$10,060,000

Valuation Scenario 3: Lots B and D

In valuation scenario 3, there is a deed restriction on Parcels B and D restricting 100% development for affordable housing on those parcels.

It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the deed restrictions above assumes no favorable financing, tax credits or incentives.

This estimated market value is a very theoretical value as the exact number of units and unit mix is unknown.

To determine the theoretical impact of the deed restriction, we will do the following

1. Determine a number of units per acre based on comparable data
2. Determine a market rent and establish the restricted rent levels
3. The rents applied to the number of units results in potential gross rent
4. Subtract vacancy and expense to arrive at net operating income
5. Capitalize the net operating incomes to determine “market value”
6. Determine the difference in value conclusions
7. Use comparable multifamily developments in downtown Charleston to determine percentage of total development costs that are land
8. Allocated decrease in value to a per square foot (land) figure

The exact number of units that could be developed is unknown. In order to determine potential units, we have surveyed several multifamily projects on the upper peninsula which are summarized in the following chart.

Multifamily Developments Units Per Acre

Development	Address	Site Size (Acres)	Units	Units Per Acre
Morrison Yards	838 Morrison Drive	6.05	380	63
Cormac Apartments	1304 Meeting Street	2.82	303	107
The Porter	577 Meeting Street	1.23	118	96
584 Meeting Street	584 Meeting Street	1.62	250	154
Foundry Point	6 Huguenin Ave	6.57	275	42
The Merchant	102 Sottile Street	4.44	231	52
Meeting Street Lofts	601 Meeting Street	3.54	346	98
Element 29	287 Huger Street	2.90	190	66
			Min	42
			Max	154
			Average	85

The comparable developments range from 42 to 154 units per acre with an average of 85 units which will be used in the analysis. The exact, potential unit mix is also unknown. For simplicity, we utilize two-bedroom units only.

A survey of the websites of Class A apartments developments on the upper peninsula indicates that the asking rents for two-bedroom units for the most part ranges from $2,300 to $3,080 per month. We will use a market rent of $2,850 per month in the conventional/market valuation.

In order to determine the maximum restricted rent, we consulted the SC Housing website which has a rent limit of $1,108 per month for Charleston County as shown below.

Final FY 2024 & Final FY 2023 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR	$1,386	$1,424	$1,599	$1,979	$2,402
FY 2023 FMR	$1,328	$1,357	$1,533	$1,906	$2,397

Potential gross rent at market rates is $2,907,000 and potential gross rents based on the restricted rents is $1,630,980. We deduct 7% for vacancy (based on the current Downtown Charleston submarket) and credit loss and 40% for operating expenses (based on market comparables) to arrive at the net operating income.

An appropriate capitalization rate based on market data is applied to both the net operating income based on market rents and the restricted. The theoretical market value (per acre) using market rents is $33,139,800 and the theoretical market value (per acre) using restricted rents is $15,494,310 as shown in the following chart.

Value Impact Due To Affordable Housing 60% AMI		
	Conventional/ Market	Affordable 60% AMI
Units Per Acre	85	85
Monthly Rent	$2,850	$1,599
Potential Annual Gross Rent	$2,907,000	$1,630,980
LESS: 5% Vacancy	-$145,350	-$81,549
Effective Gross Income	$2,761,650	$1,549,431
LESS: Operating Expenses @ 40%	$1,104,660	$619,772
Net Operating Income	$1,656,990	$929,659
Capitalization Rate	5.00%	6.00%
Indicated Value	$33,139,800	$15,494,310
Loss In Total Value	$17,645,490	
Land % of Total	11%	
Prorated Loss in Land Value (Per Acre)	$1,941,004	
Loss in Land Value (Per SF)	$44.56	
Loss in Land Value (Per SF) Rounded	$45.00	

The total difference in value is $17,645,490.

In order to determine what percentage of loss in value is attributable to the land, we have analyzed multifamily developments on the upper peninsula in which we have knowledge of the development costs. For confidentiality, we have not disclosed the project names.

Upper Peninsula Multifamily Development Costs

Development	Location	Total Development Cost (Rounded)	Land Costs	Land Costs % of Total
Confidential	Morrison Drive	$150,000,000	$16,000,000	10.67%
Confidential	Meeting Street	$35,000,000	$4,500,000	12.86%
Confidential	Meeting Street	$118,000,000	$10,500,000	8.90%
			Min	8.90%
			Max	12.86%
			Average	10.81%

The land cost as a percentage of total costs range from 8.90% to 12.86% with an average of 10.81%. For simplicity, we apply 11% to the $17,645,490 total loss to arrive at the prorated loss per acre of $1,941,004. This figure is converted to per square foot loss of $44.56, rounded to $45.00.

Value Conclusion: Parcel B

The $45.00 loss is subtracted from the original $130.00 per square foot value for a net price of $85.00 per square foot. This is applied to the 139,392 square foot for Parcel D for an indicated value of $11,848,320, rounded to $11,850,000.

Land Value Conclusion: Parcel B Deed Restriction

Indicated Value Per Square Foot	$130.00
Less Value Lost from Deed Restriction	$45.00
Net Indicated Value per Square Foot	$85.00
Subject Square Feet	139,392
Indicated Value	$11,848,320
Rounded	$11,850,000

Value Conclusion: Parcel D

The $45.00 loss is subtracted from the original $135.00 per square foot value for a net price of $90.00 per square foot. This is applied to the 143,748 square foot for Parcel D for an indicated value of $12,937,320, rounded to $12,940,000.

Land Value Conclusion: Parcel D Deed Restriction	
Indicated Value Per Square Foot	$135.00
Less Value Lost From Deed Restriction	$45.00
Net Indicated Value per Square Foot	$90.00
Subject Square Feet	143,748
Indicated Value	$12,937,320
Rounded	$12,940,000

Valuation Scenario 4: Lots E, F, G and H

In valuation scenario 4, Parcels E, F and G remain the same as Scenario 2. In this scenario, there is a deed restriction on Parcel H restricting 100% development for affordable housing on that parcel.

It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the deed restrictions above assumes no favorable financing, tax credits or incentives.

Value Conclusion: Parcel H

We apply the same $45.00 per square foot loss as previously discussed.

The $45.00 loss is subtracted from the original $140.00 per square foot value for a net price of $95.00 per square foot. This is applied to the 71,874 square foot for Parcel H for an indicated value of $6,828,030, rounded to $6,830,000.

Land Value Conclusion: Parcel H Deed Restriction	
Indicated Value Per Square Foot	$140.00
Less Value Lost From Deed Restriction	$45.00
Net Indicated Value per Square Foot	$95.00
Subject Square Feet	71,874
Indicated Value	$6,828,030
Rounded	$6,830,000

Valuation Scenario 5: Lots E, F, G and H

In valuation scenario 5, Parcels E, and G remain the same as Scenarios 2 and 4 with no restrictions. In this scenario, there is a deed restriction on Parcels F and H restricting 100% development for affordable housing on those parcels.

It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the deed restrictions above assumes no favorable financing, tax credits or incentives.

Value Conclusion: Parcel F

We apply the same $45.00 per square foot loss as previously discussed.

The $45.00 loss is subtracted from the original $130.00 per square foot value for a net price of $85.00 per square foot. This is applied to the 72,745 square foot for Unit D for an indicated value of $6,183,325, rounded to $6,180,000.

Land Value Conclusion: Parcel F Deed Restriction	
Indicated Value Per Square Foot	$130.00
Less Value Lost From Deed Restriction	$45.00
Net Indicated Value per Square Foot	$85.00
Subject Square Feet	72,745
Indicated Value	$6,183,325
Rounded	$6,180,000

Value Conclusion: Parcel H

We apply the same $45.00 per square foot loss as previously discussed.

The $45.00 loss is subtracted from the original $140.00 per square foot value for a net price of $95.00 per square foot. This is applied to the 71,874 square foot for Parcel H for an indicated value of $6,828,030, rounded to $6,830,000.

Land Value Conclusion: Parcel H Deed Restriction	
Indicated Value Per Square Foot	$140.00
Less Value Lost From Deed Restriction	$45.00
Net Indicated Value per Square Foot	$95.00
Subject Square Feet	71,874
Indicated Value	$6,828,030
Rounded	$6,830,000

Valuation Scenario 6: Lots E, F, G and H

In valuation scenario 6, Parcels E, and F remain the same as Scenario 2 with no restrictions.

In this scenario, the size of Parcel H is increased to 1.88 acres with a deed restriction restricting 100% development for affordable housing on that parcel. This parcel will be used for development of City of Charleston Courts and multifamily housing. The size of Parcel G is then decreased as previously discussed.

It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the deed restrictions above assumes no favorable financing, tax credits or incentives.

Value Conclusion: Parcel G

The value for Parcel G based on the new square footage is shown in the following chart.

Land Value Conclusion: Parcel G Valuation Scenario 5	
Indicated Value per Square Foot	$140.00
Subject Square Feet	61,855
Indicated Value	$8,659,700
Rounded	$8,660,000

Value Conclusion: Parcel H

We apply the same $45.00 per square foot loss as previously discussed.

The $45.00 loss is subtracted from the original $140.00 per square foot value for a net price of $95.00 per square foot. This is applied to the 81,893 square foot for Parcel H for an indicated value of $7,779,835, rounded to $7,780,000.

Land Value Conclusion: Parcel H	
Indicated Value per Square Foot	$140.00
Less Value Lost from Deed Restriction	$45.00
Net Indicated Value per Square Foot	$95.00
Subject Square Feet	81,893
Indicated Value	$7,779,835
Rounded	$7,780,000

Reconciliation and Conclusion of Value

As discussed previously, we use only the sales comparison approach in developing an opinion of value for the subject. The cost and income approaches are not applicable, and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinion follows:

Value Conclusions

Scenario	Interest Appraised	Effective Date	Value Conclusion
1. Subject divided into two parcels			
Parcel B	Fee Simple	9/26/2024	$18,120,000
Parcel D	Fee Simple	9/26/2024	$19,410,000
2. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H	Fee Simple	9/26/2024	$10,060,000
3. Subject divided into two parcels			
Parcel B - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$11,850,000
Parcel D - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$12,940,000
4. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,830,000
5. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,180,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,830,000
6. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G - 1.41 Acres	Fee Simple	9/26/2024	$8,660,000
Parcel H - 1.88 acres Affordable Housing	Fee Simple	9/26/2024	$7,780,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. We assume that the information provided for the subject property is accurate.
2. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption.
3. It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the deed restrictions above assumes no favorable financing, tax credits or incentives.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. There were no hypothetical conditions utilized.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Exposure time is always presumed to precede the effective date of the appraisal. Based on our review of recent sales transactions for similar properties and our analysis of supply and demand in the local market, it is our opinion that the probable exposure time for the subject at the concluded market values stated previously is 12 months.

Marketing Time

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. As we foresee no significant changes in market conditions in the near term, it is our opinion that a reasonable marketing period for the subject is likely to be the same as the exposure time. Accordingly, we estimate the subject's marketing period at 12 months.

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have previously appraised the property that is the subject of this report for the current client. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Scott B. Johnstone, MAI, made a personal inspection of the property that is the subject of this report.
12. No one provided significant real property appraisal assistance to the person signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.

14. As of the date of this report, Scott B. Johnstone, MAI, has completed the continuing education program for Designated Members of the Appraisal Institute.

Scott B. Johnstone, MAI
South Carolina State Certified General Real
Estate Appraiser #CG 3627

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.

6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.
7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.
8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.
9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.
10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.
11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.
12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.
13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.
14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.
15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.
16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.

17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.

20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Charleston, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.

21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.

22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.

23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.

24. **IRR - Charleston is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Charleston. In addition, it is expressly agreed that in any action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.**

25. IRR - Charleston is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).

26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.

27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusions are subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. We assume that the information provided for the subject property is accurate.
2. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption.
3. It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the various parcels under the deed restrictions above assumes no favorable financing, tax credits or incentives.

The value conclusions are based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. There were no hypothetical conditions utilized.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Addendum A

Appraiser Qualifications

Scott B. Johnstone, MAI

Integra Realty Resources - Charleston

11-C Isabella Street
Charleston, SC 29403

T 843.718.2125
F 843.718.2025

irr.com

Experience

Managing Director with Integra Realty Resources - Charleston. Began appraising in 1999 with Attaway Thompson McCall & Associates, Inc. and joined C.S. McCall & Co., LLC in 2002. Joined Integra Realty Resources - Charleston in July, 2012.

Professional Activities & Affiliations

Member: Lowcountry Land Trust, December 2001
Member: U.S. Green Building Council-South Carolina Chapter, March 2010
MAI Designation, Appraisal Institute Appraisal Institute, October 2012

Licenses

South Carolina, SC 2024-2026 Scott Johnstone, 3627, Expires June 2026
North Carolina, NC 2024-2025 Scott Johnstone, A9035, Expires June 2025

Education

B.S. in Commerce - Washington and Lee University, Lexington, VA - 1986

M.B.A. - University of South Carolina, Columbia, SC - 1990

Appraisal courses completed are as follows:

-Real Estate Appraising Principles
-Advanced Residential Appraisal
-Small Income Property Appraisal
-Appraisal Standards and Ethics
-Residential Property Case Study and URAR Reporting
-Highest and Best Use Application
-Subdivision Valuation
-Litigation Skills for Appraisers: An Overview
-Forecasting Revenue
-Maintaining Control: Dealing with Client Pressure
-Appraising Alternative Uses: Life Beyond Lending
-An Introduction to Green Building Valuation
-Commercial Appraisal Engagement and Review
-Advanced Spreadsheet Modeling for Valuation Applications
-Fundamental of Separating Real Property, Personal Property, and Intangible Business Assets
-310: Basic Income Capitalization -
-410: Standards of Professional Practice, Part A (USPAP)
-420: Standards of Professional Practice, Part B
-320: General Applications
-510: Advanced Income Capitalization
-530: Advanced Sales Comparison & Cost Approach
-540: Report Writing and Valuation Analysis
-550: Advanced Applications

sjohnstone@irr.com - 843.718.2125 x3

State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

SCOTT BOWEN JOHNSTONE

Is hereby entitled in practice as a:

Certified General Appraiser

License Number: 3627

Expiration Date: 06/30/2026
POCKET CARD

Laura L. Smith
Board Executive

About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com

Addendum B

IRR Quality Assurance Survey

IRR Quality Assurance Survey

We welcome your feedback!

At IRR, providing a quality work product and delivering on time is what we strive to accomplish. Our local offices are determined to meet your expectations. Please reach out to your local office contact so they can resolve any issues.

Integra Quality Control Team

Integra does have a Quality Control Team that responds to escalated concerns related to a specific assignment as well as general concerns that are unrelated to any specific assignment. We also enjoy hearing from you when we exceed expectations! You can communicate with this team by clicking on the link below. If you would like a follow up call, please provide your contact information and a member of this Quality Control Team will call contact you.

Link to the IRR Quality Assurance Survey: quality.irr.com

Addendum C

Definitions

Definitions

The source of the following definitions is the Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015), unless otherwise noted.

As Is Market Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.

Disposition Value
The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. An adequate marketing effort will be made during the exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Effective Date
1. The date on which the appraisal or review opinion applies.
2. In a lease document, the date upon which the lease goes into effect.

Entitlement
In the context of ownership, use, or development of real estate, governmental approval for annexation, zoning, utility extensions, number of lots, total floor area, construction permits, and occupancy or use permits.

Entrepreneurial Incentive
The amount an entrepreneur expects to receive for his or her contribution to a project. Entrepreneurial incentive may be distinguished from entrepreneurial profit (often called *developer's profit*) in that it is the expectation of future profit as opposed to the profit actually earned on a development or improvement. The amount of entrepreneurial incentive required for a project represents the economic reward sufficient to motivate an entrepreneur to accept the risk of the project and to invest the time and money necessary in seeing the project through to completion.

Entrepreneurial Profit
1. A market-derived figure that represents the amount an entrepreneur receives for his or her contribution to a project and risk; the difference between the total cost of a property (cost of development) and its market value (property value after completion), which represents the entrepreneur's compensation for the risk and expertise associated with development. An entrepreneur is motivated by the prospect of future value enhancement (i.e., the entrepreneurial incentive). An entrepreneur who successfully creates value through new development, expansion, renovation, or an innovative change of use is rewarded by entrepreneurial profit. Entrepreneurs may also fail and suffer losses.
2. In economics, the actual return on successful management practices, often identified with coordination, the fourth factor of production following land, labor, and capital; also called entrepreneurial return or entrepreneurial reward.

Exposure Time
1. The time a property remains on the market.
2. The estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective opinion based on an analysis of past events assuming a competitive and open market.

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Floor Area Ratio (FAR)
The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (ISV)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner for individual investment or operational objectives.

Lease

A contract in which rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

Leasehold Interest

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

Liquidation Value

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.

8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms.

Marketing Time
An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal.

Market Value
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

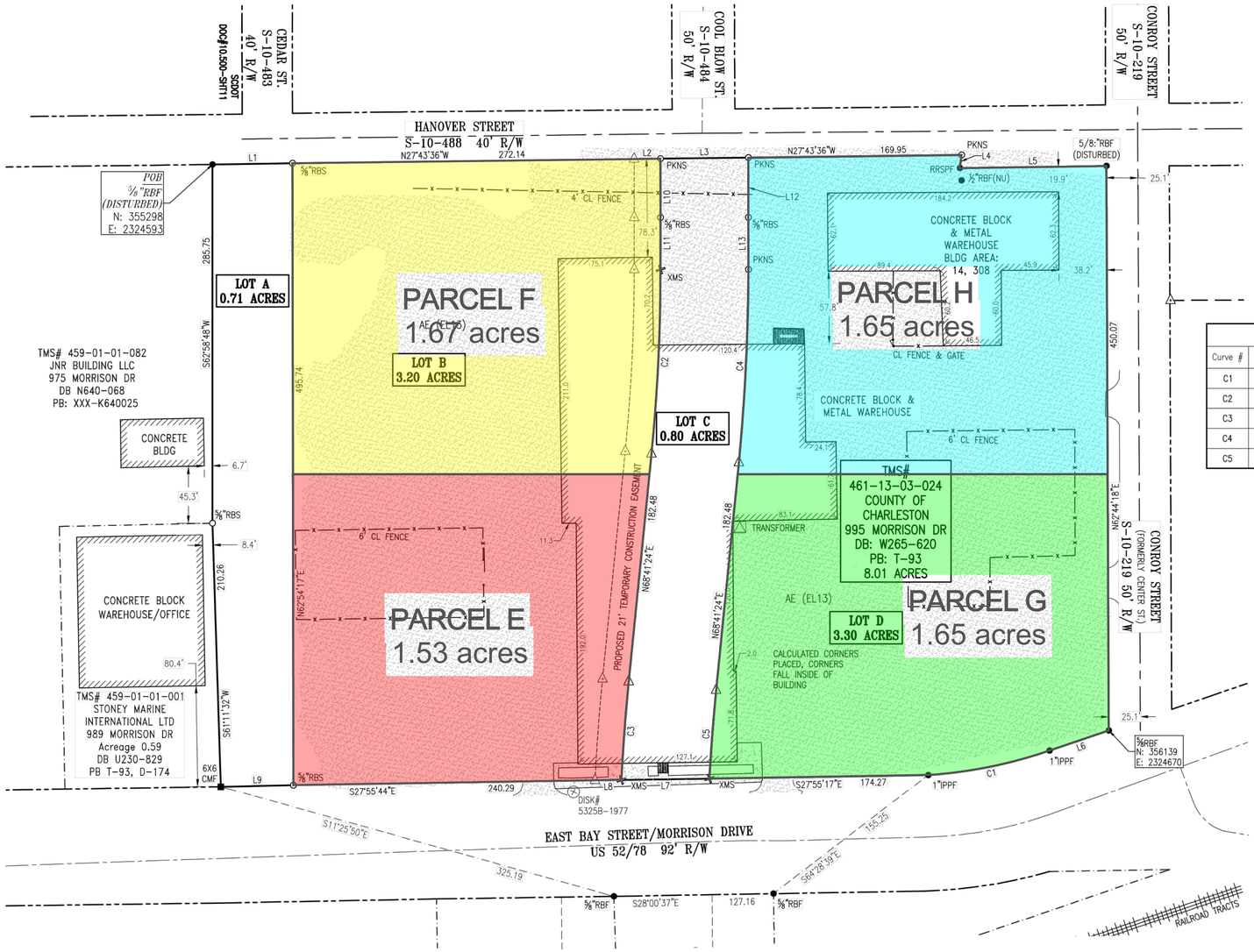
- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their own best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

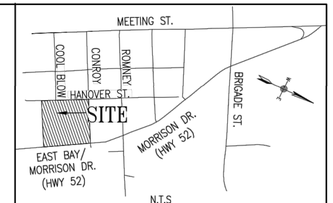
(Source: Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Prospective Opinion of Value
A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy.

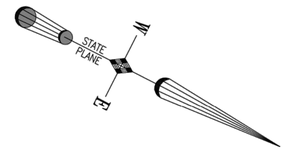
Addendum D

Property Information and Financials





LOCATION MAP



Line Table

Line #	Direction	Length
L1	N27°57'44"W	63.81
L2	N27°43'36"W	21.00
L3	N27°43'36"W	70.00
L4	N70°57'44"E	10.59
L5	N27°51'02"W	116.76
L6	S45°39'31"E	49.88
L7	S27°55'44"E	70.15
L8	S27°55'44"E	21.04
L9	S28°13'46"E	57.91

Curve Table

Curve #	Length	Radius	Delta	Chord Direction	Chord Length
C1	98.86	364.85	15°31'31"	S38°26'05"E	98.56
C2	147.48	1467.25	5°45'33"	N65°48'38"E	147.42
C3	78.48	1534.75	2°55'47"	N67°13'30"E	78.47
C4	154.52	1537.25	5°45'33"	N65°48'38"E	154.45
C5	70.39	1464.75	2°45'12"	N67°18'48"E	70.38

GENERAL NOTES:

1. THE PURPOSE OF THIS PLAT IS TO SUBDIVIDE TMS# 461-13-03-024 INTO 4 LOTS & TO SHOW A PROPOSED TEMPORARY EASEMENT.
2. THIS PLAT SHOWS ONLY EASEMENTS WHICH ARE OBVIOUS OR APPARENT TO THE SURVEYOR.
3. STATE PLANE COORDINATES ARE FOR GIS PURPOSES ONLY.
4. ACCORDING TO THE U.S. ARMY CORPS OF ENGINEERS JURISDICTIONAL WETLAND DETERMINATIONS LETTER THERE ARE NO WETLANDS OR CRITICAL AREAS LOCATED ON THIS SITE AS PER SAC-2020-00101 DATED 3/04/2020.
5. BY GRAPHIC PLOTTING ONLY, THIS PROPERTY APPEARS TO BE IN FLOOD ZONE "AE-13", (NGVD 1929) AS SHOWN ON FLOOD INSURANCE RATE MAP #45019C0512J, EFFECTIVE DATE: 11/17/04, LOCATED IN COMMUNITY #455412.

REFERENCE PLAT BY:

		PLAT BOOK–PAGE
1. S.L. LEWIS	APRIL, 1897	D – 174
2. J.R. BARBOT	JULY, 1884	C – 044
3. CHARLESTON COUNTY GIS & RMC		
4. CUMMINGS & MCCRADY INC. – 03/1964		T–093
5. TMS#459-01-01-001 PROPERTY CARD		
6. WM. C. BOINEAU	NOV. 29, 1982	AX–23
7. SCDOT 10.383(HANOVER) SHT9		
8. SCDOT 10.383 (CEDAR)SHT008		
9. SCDOT 10.500(COOL BLOW ASBLT) SHT013		
10. SCDOT U–2573(1)52SPUR PRT 2 (MORRISON DRIVE)		
11. SCDOT 10.560 SHT007 (COOL BLOW)		
12. SCDOT S–10–219 SHT 44 (CENTER)		

LEGEND

- PROPERTY LINE W/ CORNER (AS DESC.)
- RIGHT OF WAY LINE
- NEW TEMPORARY CONSTRUCTION EASEMENT
- CENTERLINE (PAVEMENT)
- FENCE
- CONCRETE/SIDEWALK HATCH
- ASPHALT HATCH
- BUILDING HATCH

ABBREVIATION LEGEND

PKNF	PK NAIL FOUND
XMS	X–MARK SET
RBF	REBAR FOUND
IPPF	IRON PINCH PIPE FOUND
CMF	CONCRETE MONUMENT FOUND
PKNS	PK NAIL SET

SYMBOLS LEGEND

- CALCULATED POINT
- USGS MONUMENT

I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "A" SURVEY AS SPECIFIED THEREIN. THE AREA WAS DETERMINED BY THE COORDINATE METHOD OF AREA DETERMINATION. THE PRECISION OF THE UNADJUSTED FIELD SURVEY WAS GREATER THAN 1:10,000.

SOUTH CAROLINA REGISTERED PROFESSIONAL LAND SURVEYOR MILTON P. MUCKENFUSS NO. 21231 Tier A

SOUTH CAROLINA DAVIS & FLOYD, INC. No. C00538 CERTIFICATE OF AUTHORIZATION

MILTON P. MUCKENFUSS – S.C.R.L.S. No. 21231 DATE:

PLANNING AND RMC USE ONLY

PLAT

SHOWING THE SUBDIVISION
TMS# 461-13-00-024
OWNED BY
COUNTY OF CHARLESTON
AND CREATING
LOT A (0.71 ACRES), LOT B (3.20 ACRES), LOT C (0.80 ACRES)
AND THE RESIDUAL
LOT D (3.30 ACRES)
LOCATED
CITY OF CHARLESTON
CHARLESTON COUNTY, SC
D&F JOB #: 31791.00

SCALE: 1" = 50' DATE: 12/01/2020
50 25 0 50 100

SHEET 01 of 01

DAVIS & FLOYD, INC
POST OFFICE BOX 61599
CHARLESTON, SC 29419
PHONE (843) 554–8602
MMUCKENF@DAVISFLOYD.COM

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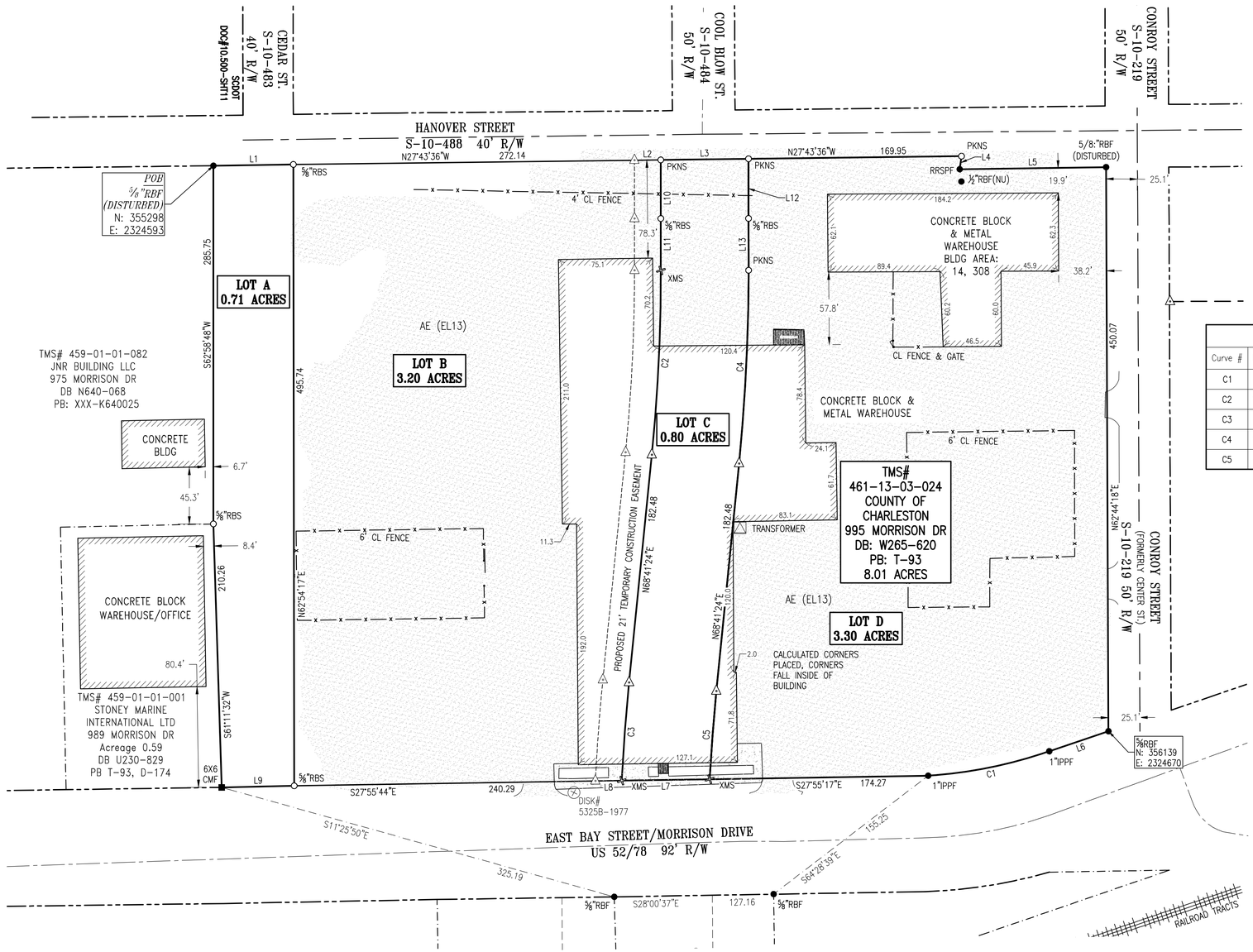

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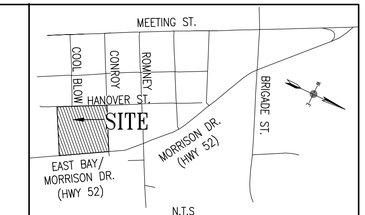
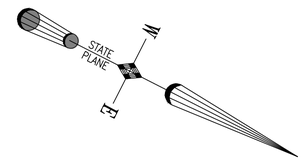


LOCATION MAP



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50 25 0 50 100

SHEET 01 of 01

DAVIS & FLOYD, INC
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CHARLESTON, SC 29419
PHONE (843) 554-8602
MMUCKENF@DAVISFLOYD.COM

ACAD DWG - C:\JOBSEVEN\31924-00\PRODUCTION\SURVEY\3192400-995 MORRISONPLAT_12-2-2020.DWG, PLOTTED BY: MARTHA MONTGOMERY, PLOTTED: 14 DECEMBER 2020 - 14:32:50

Addendum E

Comparable Data

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	0.213 Acre of Land
Sub-Property Type:	Commercial
Address:	428 Hanover St.
City/State/Zip:	Charleston, SC 29403
County:	Charleston
Submarket:	Central
Market Orientation:	CBD
IRR Event ID:	2933113

Sale Information

Sale Price:	$1,250,000
Effective Sale Price:	$1,260,000
Sale Date:	04/14/2022
Sale Status:	Closed
$/Acre(Gross):	$6,005,720
$/Land SF(Gross):	$137.87
$/Acre(Usable):	$6,005,720
$/Land SF(Usable):	$137.87
Grantor/Seller:	Cynthia K. Dawson etal
Grantee/Buyer:	MD Investments of SC, LLC
Property Rights:	Fee Simple
Document Type:	Deed
Recording No.:	Deed Book 1101, Page 030
Verified By:	Scott B. Johnstone, MAI
Verification Date:	09/29/2022
Verification Type:	Secondary Verification

Improvement and Site Data

Legal/Tax/Parcel ID:	461-13-01-018 and 019
Acres(Usable/Gross):	0.21/0.21
Land-SF(Usable/Gross):	9,139/9,139
Usable/Gross Ratio:	1.00
Corner Lot:	No
Frontage Feet:	96
Frontage Desc.:	Hanover Street
Zoning Code:	UP
Zoning Desc.:	Upper Peninsula
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All available
Source of Land Info.:	Public Records

Comments

Adjacent parcels purchased for redevelopment. One parcel improved with an older, single family residence and the other with a small office building. The improvements add no economic value to the site. The estimated demolition cost of the buildings is reflected in the effective sales price.

Adjacent parcels on Hanover Street.

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name:	Proposed Apartments Land
Sub-Property Type:	Residential
Address:	584 Meeting St.
City/State/Zip:	Charleston, SC 29401
County:	Charleston
Submarket:	Central
Market Orientation:	Redevelopment District
IRR Event ID:	2668235

Sale Information

Sale Price:	$8,000,000
Effective Sale Price:	$8,040,000
Sale Date:	04/22/2021
Recording Date:	04/26/2021
Sale Status:	Closed
$/Unit:	$32,160 /Apt. Unit
$/Acre(Gross):	$4,953,789
$/Land SF(Gross):	$113.72
$/Acre(Usable):	$4,953,789
$/Land SF(Usable):	$113.72
$/Unit (Potential):	$32,160 /Apt. Unit
Grantor/Seller:	584 Meeting Street LLC
Grantee/Buyer:	Meeting Street Acquisitions LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	Arms length
Document Type:	Deed
Recording No.:	Book 0984, Page 424
Verified By:	Scott B. Johnstone, MAI
Verification Date:	09/21/2021
Verification Type:	Secondary Verification

Sale Analysis

Other Adjustment:	$40,000
Adjustment Comments:	Demolition

Improvement and Site Data

Legal/Tax/Parcel ID:	459-01-03-045
Acres(Usable/Gross):	1.62/1.62
Land-SF(Usable/Gross):	70,698/70,698
Usable/Gross Ratio:	1.00
No. of Units (Potential):	250
No. of Units/Unit Type:	250/Apt. Units
Shape:	Rectangular
Topography:	Level
Corner Lot:	Yes
Frontage Feet:	755
Frontage Desc.:	203' Meeting St., 355' Stuart St., 197' Nassau St.
Density-Unit/Gross Acre:	154.04
Density-Unit/Usable Acre:	154.04
Zoning Code:	GB
Zoning Desc.:	General Business
Flood Plain:	Yes
Flood Zone Designation:	AE
Comm. Panel No.:	45019C0512K
Date:	01/29/2021
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All available
Source of Land Info.:	Other

Comments

Comments (Cont'd)

Site purchased for development of 250 apartment units. The property was improved with a 6,575 square foot church at the time of sale. The estimated demolition cost of $40,000 is reflected in the effective sales price. Property in City Height 5 zone which allows 5 story developments.

Property located near the intersection of Meeting Street and ramp access to the Ravenel Bridge and in an area of current redevelopment. The property is the former home of Eastside Missionary Baptist Church. The church building contained estimated 6,575 square feet.

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name:	0.463 Acre - Charleston
Sub-Property Type:	Commercial
Address:	245 Huger St.
City/State/Zip:	Charleston, SC 29403
County:	Charleston
Submarket:	Central
Market Orientation:	Redevelopment District
IRR Event ID:	2660074

Frontage Feet:	216
Frontage Desc.:	Huger St.
Zoning Code:	UP
Zoning Desc.:	Upper Peninsula w/overlays
Utilities:	Electricity, Water Public, Sewer
Source of Land Info.:	Other

Sale Information

Sale Price:	$2,700,000
Effective Sale Price:	$2,700,000
Sale Date:	09/15/2020
Recording Date:	10/01/2020
Sale Status:	Closed
$/Acre(Gross):	$5,826,500
$/Land SF(Gross):	$133.75
$/Acre(Usable):	$5,826,500
$/Land SF(Usable):	$133.75
Grantor/Seller:	Chase Furniture Co.
Grantee/Buyer:	245 Huger Street LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	Arms length
Recording No.:	Book 0920, Page 753
Verified By:	Scott B. Johnstone, MAI
Verification Date:	06/01/2021
Verification Type:	Secondary Verification

Comments

Parcel located in an area of redevelopment one block from the US Highway 17N on-ramp. Property includes a 6000 SF warehouse (built 1986). This structure adds no additional value to the property.

Improvement and Site Data

Legal/Tax/Parcel ID:	459-01-03-048
Acres(Usable/Gross):	0.46/0.46
Land-SF(Usable/Gross):	20,187/20,187
Usable/Gross Ratio:	1.00
Shape:	Rectangular
Topography:	Level
Corner Lot:	No

Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	0.55 Acre - Charleston
Sub-Property Type:	Commercial
Address:	737-741 Meeting St.
City/State/Zip:	Charleston, SC 29403
County:	Charleston
Submarket:	Central
Market Orientation:	Redevelopment District
IRR Event ID:	2511380

Sale Information

Sale Price:	$2,625,000
Effective Sale Price:	$2,660,000
Sale Date:	06/17/2020
Recording Date:	06/19/2020
Sale Status:	Closed
$/Acre(Gross):	$4,836,364
$/Land SF(Gross):	$111.03
$/Acre(Usable):	$4,836,364
$/Land SF(Usable):	$111.03
$/Building SF:	$88.71
Grantor/Seller:	741 Meeting LLC
Grantee/Buyer:	MSP 741 Meeting LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Terms of Sale Comments:	Arms length
Document Type:	Warranty Deed
Recording No.:	Book 0891, Page 862
Verified By:	Scott B. Johnstone, MAI
Verification Date:	06/02/2021
Verification Type:	Secondary Verification

Sale Analysis

Other Adjustment:	$35,000
Adjustment Comments:	Demolition

Improvement and Site Data

Legal/Tax/Parcel ID:	463-12-02-020
Acres(Usable/Gross):	0.55/0.55
Land-SF(Usable/Gross):	23,958/23,958
Usable/Gross Ratio:	1.00
Potential Building SF:	29,985
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Feet:	430
Frontage Desc.:	196' Kinloch Ct., 115' Meeting St., 27' Riker St.,
Zoning Code:	LB
Zoning Desc.:	Limited Business w/overlays
Utilities:	Electricity, Water Public, Sewer
Source of Land Info.:	Other

Comments

Selling Broker : Buddy Bebergal, Carolina Commercial LLC, 843.805.6060. The effective sales price shown includes an estimate for cost to demo the existing improvements of a 7000 SF office.

Listing Broker : Jack Owens, NAI Charleston, 843.720.4944.

Addendum F

Engagement Letter

Integra Realty Resources
Atlanta | Charlotte | Raleigh | Richmond
Columbia | Greensboro | Charleston

11-C Isabella Street
Charleston, SC 29403

T 843.718.2125
F 843.718.2058
174-production@irr.com
www.irr.com

September 25, 2024

Mr. Phil Sabatino, CFM
Facilities Management Director
Charleston County Government
4045 Bridge View Drive, Suite B217
North Charleston, SC 29405
843.202.6914
Psabatino@charlestoncounty.org

SUBJECT: Proposal and Authorization for Valuation and Consulting Services
6.50 Acres
995 Morrison Drive, Charleston, SC 29403 (the "Subject Property")

Dear Mr. Sabatino:

Upon your acceptance of this letter agreement, Integra Realty Resources – Charleston ("IRR – Charleston"), will prepare an appraisal of the Subject Property.

Terms of Engagement

Parties to the Agreement:	Integra Realty Resources – Charleston and Charleston County Government
Intended User(s):	The appraisal will be prepared for Charleston County Government and is intended only for the use specified below. We are not responsible for unauthorized use of the report.
Intended Use:	To estimate the market values similar scenario to previous appraisal 174-2022-0005 of the property for asset planning purposes.
Subject of the Assignment:	6.50 Acres - 995 Morrison Drive, Charleston, SC 29403.

Type of Opinion:	Market Values similar scenario to previous appraisal 174-2022-0005
Property Rights:	Fee Simple
Date of Appraisal:	Current
Assignment Conditions:	The assignment may include extraordinary assumptions or hypothetical conditions only if necessary to produce credible appraisal results.
USPAP Compliance:	The appraisal will be prepared in conformance with and subject to, the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and the *Uniform Standards of Professional Appraisal Practice* (USPAP) developed by the Appraisal Standards Board of the Appraisal Foundation.
Prior Services:	The Ethics Rule of USPAP requires us to disclose to you any prior services we have performed regarding the Subject Property within a three-year period immediately preceding the acceptance of this assignment, either as an appraiser or in any other capacity. We represent that we have performed an appraisal of the subject in the past three years.
Approaches to Value Used:	Sales Comparison
Reporting Option:	Appraisal Report - Standard Format
Report Copies:	Electronic format only (PDF)
Assignment Start Date:	Upon return of complete and signed engagement letter. It is not sufficient to only return the signature page.
Report Delivery:	TBD. The delivery date is contingent upon the absence of events outside our control, timely access for inspection of the Subject Property, as well as our receipt of all requested information necessary to complete the assignment.
Fee:	$2,900 (10/7/24 delivery), $2,450 (2 weeks), $2,100 (3 weeks)
Retainer:	No retainer is required for this assignment. The fees will be due and payable within 30 days of the delivery of the reports. It is understood that simple interest of 15% per annum will accrue on any unpaid balance for compensation

due, subject to reduction pursuant to any applicable usury law. We shall also be entitled to recover our costs (including attorneys' fees), associated with collecting any amounts owed or otherwise incurred in connection with this assignment.

Additional Conditions of Engagement:

All work will be performed under the direct supervision of the undersigned, together with other staff members. The appraisal and this letter agreement will be subject to our standard assumptions and limiting conditions a copy of which is attached as Attachment I.

Please be advised that we are not experts in the areas of building inspection (including mold), environmental hazards, ADA compliance or wetlands. Therefore, unless we have been provided with appropriate third-party expert reports, the appraisals will assume that there are no environmental, wetlands, or ADA compliance problems. The agreed upon fees for our services assume the absence of such issues inasmuch as additional research and analysis may be required. If an expert is required, you are responsible for their selection, payment, and actions.

If we receive a subpoena or are called to testify in any litigation, arbitration, or administrative hearing of any nature whatsoever or because of this engagement or the related report, to which we are not a party, you agree to pay our then current hourly rates for such preparation and presentation of testimony. You agree that: (i) the data collected by us in this assignment will remain our property; and (ii) with respect to any data provided by you, IRR – Charleston and its partner companies may utilize, sell and include such data (either in the aggregate or individually), in the Integra database and for use in derivative products. You agree that all data already in the public domain may be utilized on an unrestricted basis. Finally, you agree that we may use commercially available as well as proprietary software programs to perform your assignment (web based and others).

IRR – Charleston is an independently owned and operated company. The parties hereto agree that Integra Realty Resources, Inc. ("Integra") shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR –

Charleston. In addition, it is expressly agreed that in any action which may be brought against IRR – Charleston and/or any of its officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), arising out of, relating to, or in any way pertaining to this engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

If you agree with the terms set forth in this letter and wish us to proceed with the engagement, please sign below and return one copy to us. Thank you for this opportunity to be of service and we look forward to working with you.

Sincerely,

INTEGRA REALTY RESOURCES – CHARLESTON

Scott B. Johnstone, MAI
Managing Director

Attachments

AGREED & ACCEPTED THIS 26 **DAY OF** September **, 2024.**

BY: **CHARLESTON COUNTY GOVERNMENT**

AUTHORIZED SIGNATURE

Barrett J. Tolbert

NAME (PRINT)

Integra Realty Resources
Charleston

Appraisal of Real Property

Charleston County Properties
Vacant Land
995 Morrison Drive
Charleston, Charleston County, South Carolina 29403

Prepared For:
County of Charleston

Date of the Report:
November 10, 2025

Report Format:
Appraisal Report

IRR - Charleston
File Number: 174-2025-0655

Subject Photographs

Charleston County Properties
995 Morrison Drive
Charleston, South Carolina

Aerial Photograph

Integra Realty Resources
Atlanta | Charlotte | Raleigh | Memphis | Richmond
Birmingham | Charleston | Columbia | Greensboro

11-C Isabella Street
Charleston, SC 29403

T 843.718.2125
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www.irr.com

November 10, 2025

Mr. Phil Sabatino, CFM
Facilities Management Director
County of Charleston
4045 Bridge View Drive, Suite B217
North Charleston, SC 29405

SUBJECT: Market Value Appraisal
Charleston County Properties
995 Morrison Drive
Charleston, Charleston County, South Carolina 29403
IRR - Charleston File No. 174-2025-0655

Dear Mr. Sabatino:

Integra Realty Resources – Charleston is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop the following opinion of value:

- The market value as is of the fee simple interest in the subject property as of the effective date of the appraisal, November 6, 2025

The client for the assignment is County of Charleston. The intended user of this report is the client. The intended use of the report is for property disposition purposes. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

The subject consists of two parcel which together contain an area of 6.43 acres or 280,091 square feet. The property is zoned PUD (Laurel Island), Planned Unit Development, which permits most commercial and residential uses. Any specific development must be approved. The subject is under contract to the City of Charleston with the final sales price yet to be determined. Within the sales contract are multifamily affordability parameters which specify a certain number of potential multifamily units must be subject to affordability parameters based on various levels of AMI. Those parameters are factored into our value conclusion.

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, applicable state appraisal regulations.

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis that were used to develop the opinion of value.

Based on the valuation analysis in the accompanying report, and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded opinion of value is as follows:

Value Conclusion

Value Type & Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Fee Simple	November 6, 2025	$34,450,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusion is subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. We assume that the information provided for the subject property is accurate.
2. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption. The potential tax exemption does not impact market value.
3. It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the subject under the affordability parameters above assumes no favorable financing, tax credits or incentives.

The value conclusion is based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. There were no hypothetical conditions utilized.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to be of service.

Respectfully submitted,

Integra Realty Resources - Charleston

Scott B. Johnstone, MAI
South Carolina State Certified General Real
Estate Appraiser #3627
Telephone: 843.718.2125, ext. 3
Email: sjohnstone@irr.com

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Quality Assurance

IRR Quality Assurance Program

At IRR, delivering a quality report is a top priority. Integra has an internal Quality Assurance Program in which managers review material and pass an exam in order to attain IRR Certified Reviewer status. By policy, every Integra valuation assignment is assessed by an IRR Certified Reviewer who holds the MAI designation, or is, at a minimum, a named Director with at least ten years of valuation experience.

This quality assurance assessment consists of reading the report and providing feedback on its quality and consistency. All feedback from the IRR Certified Reviewer is then addressed internally prior to delivery. The intent of this internal assessment process is to maintain report quality.

Designated IRR Certified Reviewer

An internal quality assurance assessment was conducted by an IRR Certified Reviewer prior to delivery of this appraisal report. This assessment should not be construed as an appraisal review as defined by USPAP.

Executive Summary

Property Name	Charleston County Properties	
Address	995 Morrison Drive Charleston, Charleston County, South Carolina 29403	
Property Type	Land	
Owner of Record	County of Charleston	
Tax ID	461-13-03-101 and 461-13-03-024	
Land Area	6.43 acres; 280,091 SF	
Zoning Designation	PUD (Laurel Island), Planned Unit Development	
Highest and Best Use	Mixed use	
Exposure Time; Marketing Period	12 months; 12 months	
Effective Date of the Appraisal	November 6, 2025	
Date of the Report	November 10, 2025	
Property Interest Appraised	Fee Simple	
Sales Comparison Approach		
Number of Sales	5	
Range of Sale Dates	Apr 22 to Dec 25	
Range of Prices per Usable SF (Unadjusted)	$127.37 - $199.64	
Market Value Conclusion	$34,450,000	($123.00/Usable SF)

The values reported above are subject to the definitions, assumptions, and limiting conditions set forth in the accompanying report of which this summary is a part. No party other than County of Charleston may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

The value conclusion is subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. We assume that the information provided for the subject property is accurate.
2. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption. The potential tax exemption does not impact market value.
3. It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the subject under the affordability parameters above assumes no favorable financing, tax credits or incentives.

The value conclusion is based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. There were no hypothetical conditions utilized.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Identification of the Appraisal Problem

Subject Description

The subject consists of two parcel which together contain an area of 6.43 acres or 280,091 square feet. The property is zoned PUD (Laurel Island), Planned Unit Development, which permits most commercial and residential uses. Any specific development must be approved. The subject is under contract to the City of Charleston with the final sales price yet to be determined. Within the sales contract are multifamily affordability parameters which specify a certain number of potential multifamily units must be subject to affordability parameters based on various levels of AMI. Those parameters are factored into our value conclusion. A legal description of the property is provided in the addenda.

Property Identification	
Property Name	Charleston County Properties
Address	995 Morrison Dr. Charleston, South Carolina 29403
Tax ID	461-13-03-101 and 461-13-03-024
Owner of Record	County of Charleston
Legal Description	Lots B and D, Plat Book L21, Page 0036
Census Tract Number	54.00, Charleston County

Sale History

The most recent closed sale of the subject is summarized as follows:

Sale Date	February 28, 1996
Seller	995 Morrison Drive Associates
Buyer	County of Charleston
Sale Price	$1,450,000
Recording Instrument Number	Deed Book W265, Page 620

No known sales or transfers of ownership have taken place within a three-year period prior to the effective appraisal date.

Pending Transactions

The subject is under contract to the City of Charleston with the final sales price dependent upon the value conclusion of this report.

Appraisal Purpose

The purpose of the appraisal is to develop the following opinion(s) of value:

- The market value as is of the fee simple interest in the subject property as of the effective date of the appraisal, November 6, 2025

The date of the report is November 10, 2025. The appraisal is valid only as of the stated effective date or dates.

Value Type Definitions

The definitions of the value types applicable to this assignment are summarized below.

Market Value
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. [1]

Appraisal Premise Definitions

The definitions of the appraisal premises applicable to this assignment are specified as follows.

As Is Market Value
The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.[2]

Property Rights Definitions

The property rights appraised which are applicable to this assignment are defined as follows.

[1] Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472
[2] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[3]

Client and Intended User(s)

The client and intended user is County of Charleston. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

Intended Use

The intended use of the appraisal is for property disposition purposes. The appraisal is not intended for any other use.

Applicable Requirements

This appraisal report conforms to the following requirements and regulations:

- Uniform Standards of Professional Appraisal Practice (USPAP);
- Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute;
- Applicable state appraisal regulations.

Report Format

Standards Rule 2-2 (Content of a Real Property Appraisal Report) contained in the Uniform Standards of Professional Appraisal Practice (USPAP) requires each written real property appraisal report to be prepared as either an Appraisal Report or a Restricted Appraisal Report. This report is prepared as an Appraisal Report as defined by USPAP under Standards Rule 2-2(a), and incorporates practical explanation of the data, reasoning, and analysis used to develop the opinion of value.

Prior Services

USPAP requires appraisers to disclose to the client any other services they have provided in connection with the subject property in the prior three years, including valuation, consulting, property management, brokerage, or any other services. We have previously appraised the property that is the subject of this report for the current client. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

Our value conclusion in this report differs from the previous appraisal due to a change in the scope for the assignment.

[3] Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022)

Appraiser Competency

No steps were necessary to meet the competency provisions established under USPAP. The assignment participants have appraised several properties similar to the subject in physical, locational, and economic characteristics, and are familiar with market conditions and trends; therefore, appraiser competency provisions are satisfied for this assignment. Appraiser qualifications and state credentials are included in the addenda of this report.

Scope of Work

Introduction

The appraisal development and reporting processes require gathering and analyzing information about the assignment elements necessary to properly identify the appraisal problem. The scope of work decision includes the research and analyses necessary to develop credible assignment results, given the intended use of the appraisal. Sufficient information includes disclosure of research and analyses performed and might also include disclosure of research and analyses not performed.

To determine the appropriate scope of work for the assignment, the intended use of the appraisal, the needs of the user, the complexity of the property, and other pertinent factors were considered. The concluded scope of work is described below.

Research and Analysis

The type and extent of the research and analysis conducted are detailed in individual sections of the report. The steps taken to verify comparable data are disclosed in the addenda of this report. Although effort has been made to confirm the arms-length nature of each sale with a party to the transaction, it is sometimes necessary to rely on secondary verification from sources deemed reliable.

Subject Property Data Sources

The legal and physical features of the subject property, including size of the site, flood plain data, property zoning, existing easements and encumbrances, access and exposure, and condition of the improvements (as applicable) were confirmed and analyzed.

The financial data of the subject, including tax and assessment records was analyzed. This information, as well as trends established by confirmed market indicators, is used to forecast future performance of the subject property.

Contacts

In addition to public records and other sources cited in this appraisal, information pertaining to the subject was obtained from the following party: Mr. Donnie Reynolds.

Inspection

Details regarding the property inspection conducted as part of this appraisal assignment are summarized as follows:

Property Inspection		
Party	Inspection Type	Inspection Date
Scott B. Johnstone, MAI	On-site	November 6, 2025

Valuation Methodology

Three approaches to value are typically considered when developing a market value opinion for real property. These are the cost approach, the sales comparison approach, and the income capitalization approach. Use of the approaches in this assignment is summarized as follows:

Approaches to Value

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

In developing an opinion of value for the subject, only the sales comparison approach is used. This approach is applicable to the subject because there is an active market for similar properties, and sufficient sales data is available for analysis.

The cost approach is not applicable because there are no improvements that contribute value to the property, and the income approach is not applicable because the subject is not likely to generate rental income in its current state.

Economic Analysis

Charleston MSA Area Analysis

The subject is located in the Charleston-North Charleston, SC Metropolitan Statistical Area, hereinafter called the Charleston MSA, as defined by the U.S. Office of Management and Budget. The Charleston MSA is 2,590 square miles in size, and ranks 71 in population out of the nation's 387 metropolitan statistical areas.

Population

The Charleston MSA has an estimated 2025 population of 876,962, which represents an average annual 1.9% increase over the 2020 census of 799,636. The Charleston MSA added an average of 15,465 residents per year over the 2020-2025 period, and its annual growth rate exceeded the State of South Carolina rate of 1.5%.

Looking forward, the Charleston MSA's population is projected to increase at a 1.4% annual rate from 2025-2030, equivalent to the addition of an average of 12,935 residents per year. The Charleston MSA's growth rate is expected to exceed that of South Carolina, which is projected to be 1.2%.

Population Trends

	Population			Compound Ann. % Chng	
	2020 Census	2025 Estimate	2030 Projection	2020 - 2025	2025 - 2030
Charleston-North Charleston,	799,636	876,962	941,635	1.9%	1.4%
USA	331,449,281	337,643,652	345,735,705	0.4%	0.5%
South Carolina	5,118,425	5,513,800	5,843,720	1.5%	1.2%

Source: Claritas

Employment

Total employment in the Charleston MSA was estimated at 430,400 jobs at year-end 2024. Between year-end 2014 and 2024, employment rose by 103,000 jobs, equivalent to a 31.5% increase over the entire period. There were gains in employment in nine out of the past ten years. The Charleston MSA's rate of employment growth over the last decade surpassed that of South Carolina, which experienced an increase in employment of 20.1% or 401,200 jobs over this period.

Employment Trends						
	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
Year	Charleston MSA	% Change	South Carolina	% Change	Charleston MSA	South Carolina
2014	327,400		1,992,300		5.4%	6.3%
2015	340,500	4.0%	2,048,700	2.8%	5.1%	5.9%
2016	348,100	2.2%	2,088,200	1.9%	4.2%	4.9%
2017	357,600	2.7%	2,127,200	1.9%	3.6%	4.2%
2018	371,100	3.8%	2,181,600	2.6%	2.8%	3.4%
2019	379,400	2.2%	2,215,100	1.5%	2.3%	2.8%
2020	363,700	-4.1%	2,139,300	-3.4%	5.8%	6.0%
2021	382,200	5.1%	2,212,100	3.4%	3.5%	3.9%
2022	402,200	5.2%	2,285,400	3.3%	2.8%	3.2%
2023	419,800	4.4%	2,345,400	2.6%	2.5%	3.0%
2024	430,400	2.5%	2,393,500	2.1%	3.5%	4.1%
Overall Change 2014-2024	103,000	31.5%	401,200	20.1%		
Avg Unemp. Rate 2014-2024					3.8%	4.3%
Unemployment Rate - April 2025					3.1%	3.8%

Source: U.S. Bureau of Labor Statistics and Moody's Analytics. Employment figures are from the Current Employment Survey (CES). Unemployment rates are from the Current Population Survey (CPS). The figures are not seasonally adjusted.

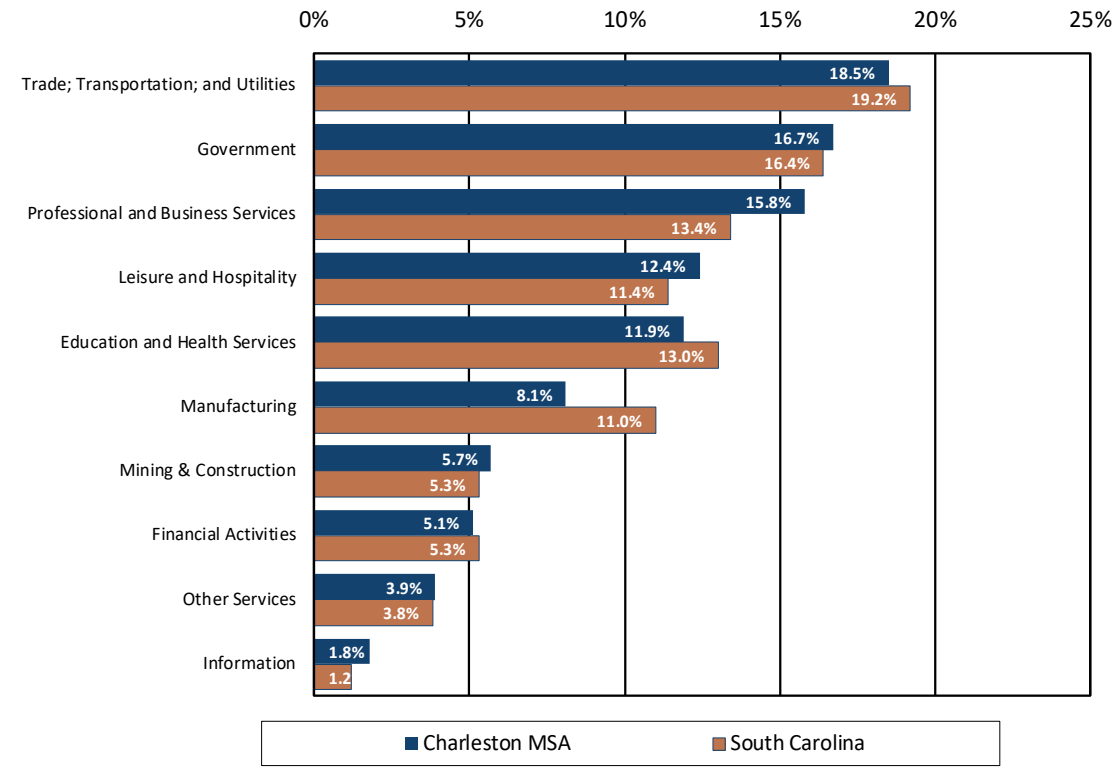
A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Charleston MSA unemployment rate has been consistently lower than that of South Carolina, with an average unemployment rate of 3.8% in comparison to a 4.3% rate for South Carolina. A lower unemployment rate is a positive indicator.

Recent data shows that the Charleston MSA unemployment rate is 3.1% in comparison to a 3.8% rate for South Carolina, a positive sign that is consistent with the fact that the Charleston MSA has outperformed South Carolina in the rate of job growth over the past two years.

Employment Sectors

The composition of the Charleston MSA job market is depicted in the following chart, along with that of South Carolina. Total employment for both areas is broken down by major employment sector, and the sectors are ranked from largest to smallest based on the percentage of Charleston MSA jobs in each category.

Employment Sectors - 2024



Source: U.S. Bureau of Labor Statistics and Moody's Analytics

The Charleston MSA has greater concentrations than South Carolina in the following employment sectors:

1. Government, representing 16.7% of the Charleston MSA payroll employment compared to 16.4% for South Carolina as a whole. This sector includes employment in local, state, and federal government agencies.
2. Professional and Business Services, representing 15.8% of the Charleston MSA payroll employment compared to 13.4% for South Carolina as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
3. Leisure and Hospitality, representing 12.4% of the Charleston MSA payroll employment compared to 11.4% for South Carolina as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
4. Mining & Construction, representing 5.7% of the Charleston MSA payroll employment compared to 5.3% for South Carolina as a whole. This sector includes construction of buildings, roads, and utility systems, as well as mining, quarrying, and oil and gas extraction.

The Charleston MSA is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 18.5% of the Charleston MSA payroll employment compared to 19.2% for South Carolina as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.
2. Education and Health Services, representing 11.9% of the Charleston MSA payroll employment compared to 13.0% for South Carolina as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Manufacturing, representing 8.1% of the Charleston MSA payroll employment compared to 11.0% for South Carolina as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.
4. Financial Activities, representing 5.1% of the Charleston MSA payroll employment compared to 5.3% for South Carolina as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.

Major Employers

Major employers in the Charleston MSA are shown in the following table.

Major Employers - Charleston-North Charleston, SC Metro

	Name	Number of Employees
1	Medical University of SC	10,000+
2	Boeing Co	5,000-9,999
3	Medical University Charleston	5,000-9,999
4	Robert Bosch LLC	1,000-4,999
5	Roper Hospital	1,000-4,999
6	Charleston Internation	1,000-4,999
7	Villas At Kiawah Is Golf Resort	1,000-4,999
8	Health Finders Consult A Nurse	1,000-4,999
9	Kiawah Island Resorts	1,000-4,999
10	Berkley County Government	1,000-4,999

Source: https://jobs.scworks.org/

Gross Domestic Product

Gross Domestic Product (GDP) is a measure of economic activity based on the total value of goods and services produced in a defined geographic area, and annual changes in Gross Domestic Product (GDP) are a gauge of economic growth.

Economic growth, as measured by annual changes in GDP, has been considerably higher in the Charleston MSA than South Carolina overall during the past decade. The Charleston MSA has grown at a 3.8% average annual rate while the State of South Carolina has grown at a 2.7% rate. The Charleston MSA continues to perform better than South Carolina. GDP for the Charleston MSA rose by 5.2% in 2023 while South Carolina's GDP rose by 3.1%.

The Charleston MSA has a per capita GDP of $61,226, which is 26% greater than South Carolina's GDP of $48,684. This means that Charleston MSA industries and employers are adding relatively more value to the economy than their counterparts in South Carolina.

Gross Domestic Product

Year	($,000s) Charleston MSA	% Change	($,000s) South Carolina	% Change
2013	35,991,922	–	200,147,300	–
2014	36,993,177	2.8%	206,077,900	3.0%
2015	38,721,560	4.7%	213,212,400	3.5%
2016	40,907,200	5.6%	220,559,300	3.4%
2017	41,712,863	2.0%	224,937,600	2.0%
2018	43,397,855	4.0%	231,663,300	3.0%
2019	45,465,246	4.8%	239,021,300	3.2%
2020	44,235,580	-2.7%	233,650,100	-2.2%
2021	46,616,368	5.4%	245,752,100	5.2%
2022	49,580,900	6.4%	254,504,500	3.6%
2023	52,146,005	5.2%	262,298,500	3.1%
Compound % Chg (2013-2023)		3.8%		2.7%
GDP Per Capita 2023	$61,226		$48,684	

Source: U.S. Bureau of Economic Analysis (BEA) and Moody's Analytics; data released December 2024.
The release of state and local GDP data has a longer lag time than national data. The data represents inflation-adjusted "real" GDP stated in 2017 dollars.

Household Income

The Charleston MSA is more affluent than South Carolina. Median household income for the Charleston MSA is $83,866, which is 25.0% greater than the corresponding figure for South Carolina.

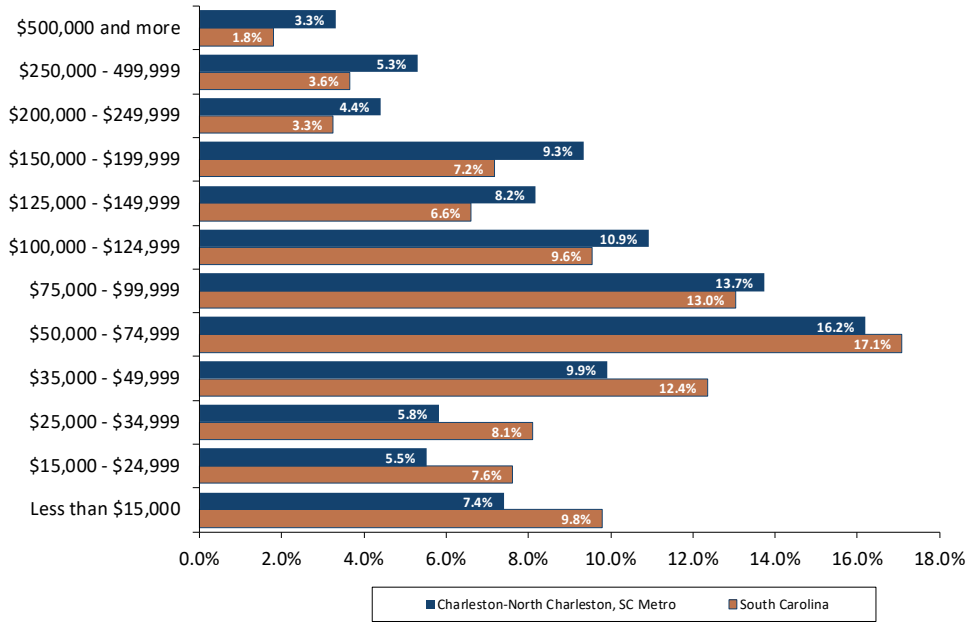
Median Household Income - 2025

	Median
Charleston-North Charleston, SC Metro	$83,866
South Carolina	$67,099
Comparison of Charleston-North Charleston, SC Metro to South C	+ 25.0%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. The Charleston MSA has a greater concentration of households in the higher income levels than South Carolina. Specifically, 22% of Charleston MSA households are at the $150,000 or greater levels in household income as compared to 16% of South Carolina households. A lesser concentration of households is apparent in the lower income levels, as 29% of Charleston MSA households are below the $50,000 level in household income versus 38% of South Carolina households.

Household Income Distribution - 2025

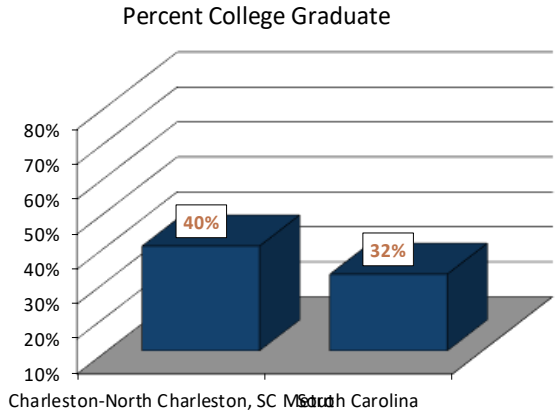


Source: Claritas

Education Levels

Residents of the Charleston MSA have a higher level of educational attainment than those of South Carolina. An estimated 40% of Charleston MSA residents are college graduates with four-year degrees, versus 32% of South Carolina residents.

Education Levels - 2025

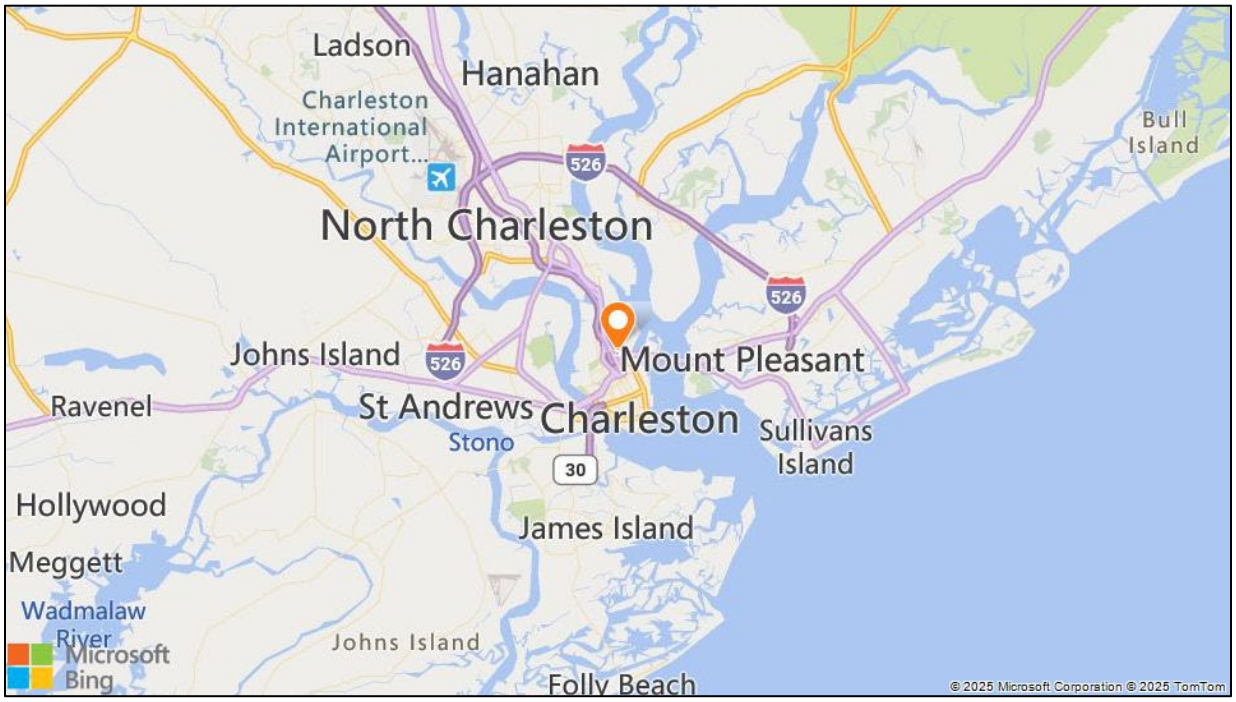


Source: Claritas

Conclusion

The Charleston MSA economy will benefit from a growing population base and higher income and education levels. The Charleston MSA experienced growth in the number of jobs and has maintained a consistently lower unemployment rate than South Carolina over the past decade. Moreover, the Charleston MSA exhibits both a higher rate of GDP growth and a higher level of GDP per capita than South Carolina overall. It is anticipated that the Charleston MSA economy will improve and employment will grow, strengthening the demand for real estate.

Area Map



Surrounding Area Analysis

The subject is located in the Upper Peninsula area of the City of Charleston. The immediate area is also referred to as the “NoMo” (North Morrison) District.

Area boundaries and delineation for downtown Charleston are indicated in the following table. A map identifying the location of the property follows this section.

Boundaries & Delineation	
Boundaries	
Market Area	Charleston, SC
Submarket	Central
Area Type	Suburban
Delineation	
North	Pittsburgh Avenue
South	Charleston Harbor
East	Cooper River
West	Ashley River

Access and Linkages

Primary access and linkages to the subject area, including highways, roadways, public transit, traffic counts, and airports, are summarized in the following table.

Access & Linkages	
Vehicular Access	
Major Highways	Interstate 26, US Highway 17
Primary Corridors	Meeting Street, East Bay Street/Morrison Drive, King Street
Vehicular Access Rating	Average
Public Transit	
Providers	CARTA
Transit Access Rating	Average
Airport(s)	
Name	Charleston International Airport
Distance	10 miles
Driving Time	20 minutes
Primary Transportation Mode	Automobile

The subject is located on the northern fringe of the Central Business District (CBD), the economic and cultural center of the region.

Demand Generators

The Port of Charleston is a seaport shipping terminal that is ranked 8th in the United States based on cargo value. It is operated by the South Carolina State Ports Authority (SCSPA). It can accommodate most cargo types including containers, non-containerized goods, and roll-on roll-off (vehicles). The Port of Charleston contains six terminals, 1.5 million square feet of warehouse and transit shed space, and over 500 acres of cargo storage. The SCSPA operates all container cranes and containing-handling equipment, effectively serving as the terminal operator. They also own and operate Charleston's cruise ship terminal.

The Port of Charleston is a top-10 US container port. SCSPA and the state of South Carolina have committed to invest $2 billion over the next 10 years in the ports and infrastructure. The Charleston Harbor has recently been deepened from 45 feet to 52 feet at a cost of $558 million, providing 24-hour harbor access without tidal restrictions. The Charleston Harbor has become the deepest on the east coast. Existing terminals have been modernized at a cost of $600 million. A new container terminal was recently constructed at a cost of $700 million on a former Navy Base. A new, dual access intermodal container transfer facility was completed in 2022 at a cost of $225 million on approximately 130 acres. A port access road off of Interstate 26 to the new container terminal was recently completed at a cost of $200 million. The new container terminal has increased the container capacity by 50%.

The market area also has a significant military presence including the Joint Base Charleston which is the combined Naval Support Activity base (formerly Naval Weapons Station) and the Charleston Air Force Base. The Naval Support Activity base is located on approximately 17,000 acres of which 10,000 acres are forest and wetlands. It has 16 miles of waterfront, four piers, railroad access, and employs 11,000 people. The Charleston Air Force Base shares its runways with the Charleston International Airport.

Boeing has a commercial airplane manufacturing, assembly, and delivery facility in North Charleston on 265 acres. It is located adjacent to the Charleston Air Force Base/ Charleston International Airport. Volvo has a $500 million manufacturing facility in Berkeley County. Mercedes has a $500 million Sprinter van plant in Ladson. Major employers include Boeing, Trident Medical Center, and the Charleston Air Force Base. In addition to its strong employment, the area accessible to the Mount Pleasant, West Ashley and the North Charleston submarkets, all within 15 minutes driving time. Access to employment centers in other submarkets is a major demand driver**.**

Life Cycle

Real estate is affected by cycles involving development trends within a market area as well as market and economic forces. Trends in demand for development in a particular market are described by the Market Area Life Cycle, while market and economic trends are described by the Real Estate Cycle.

A Market Area Life Cycle typically evolves through four stages:[4]

- Growth – a period during which the market area gains public favor and acceptance

[4] Appraisal Institute, *The Appraisal of Real Estate*, 15th ed. (Chicago: Appraisal Institute, 2020)

- Stability – a period of equilibrium without marked gains or losses
- Decline – a period of diminishing demand
- Revitalization – a period of renewal, redevelopment, modernization, and increasing demand

The subject's market area is in the growth stage of the Market Area Life Cycle.

The Real Estate Cycle also impacts a neighborhood. The stages of the Real Estate Cycle include:

- Expansion – Sustained growth in demand, increasing construction
- Hypersupply – Positive but falling demand, increasing vacancy
- Recession – Falling demand, increasing vacancy
- Recovery – Increasing demand, decreasing vacancy

These stages are illustrated below, along with a summary of common characteristics of each stage of the Real Estate Cycle. The subject is in the expansion stage of the Real Estate Cycle.

EXPANSION	HYPERSUPPLY	RECESSION	RECOVERY
Decreasing Vacancy Rates	Increasing Vacancy Rates	Increasing Vacancy Rates	Decreasing Vacancy Rates
Moderate/High New Construction	Moderate/High New Construction	Moderate/Low New Construction	Low New Construction
High Absorption	Low/Negative Absorption	Low Absorption	Moderate Absorption
Moderate/High Employment Growth	Moderate/Low Employment Growth	Low/Negative Employment Growth	Low/Moderate Employment Growth
Med/High Rental Rate Growth	Med/Low Rental Rate Growth	Low/Neg Rental Rate Growth	Neg/Low Rental Rate Growth

Demographics

A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

Surrounding Area Demographics					
2025 Estimates	1-Mile Radius	3-Mile Radius	5-Mile Radius	Charleston-North Charleston, SC Metro	South Carolina
Population 2020	12,453	46,437	129,611	799,636	5,118,425
Population 2025	14,490	49,192	134,890	876,962	5,513,800
Population 2030	15,498	51,001	139,292	941,635	5,843,720
Compound % Change 2020-2025	3.1%	1.2%	0.8%	1.9%	1.5%
Compound % Change 2025-2030	1.4%	0.7%	0.6%	1.4%	1.2%
Households 2020	5,756	20,739	57,065	319,353	2,048,912
Households 2025	6,869	22,517	60,453	351,936	2,226,844
Households 2030	7,462	23,710	63,171	379,541	2,373,170
Compound % Change 2020-2025	3.6%	1.7%	1.2%	2.0%	1.7%
Compound % Change 2025-2030	1.7%	1.0%	0.9%	1.5%	1.3%
Median Household Income 2025	$59,836	$80,065	$83,894	$83,866	$67,099
Average Household Size	2.1	2.0	2.1	2.5	2.4
College Graduate %	53%	61%	56%	40%	32%
Owner Occupied %	31%	43%	50%	66%	70%
Renter Occupied %	69%	57%	50%	34%	30%
Median Owner Occupied Housing Value	$772,214	$871,521	$715,541	$419,194	$293,926
Median Year Structure Built	1967	1964	1977	1997	1992
Average Travel Time to Work in Minutes	20	19	22	30	28

Source: Claritas

As shown above, the current population within a 3-mile radius of the subject is 49,192, and the average household size is 2.0. Population in the area has grown since the 2020 census, and this trend is projected to continue over the next five years. Compared to the Charleston MSA overall, the population within a 3-mile radius is projected to grow at a slower rate.

Median household income is $80,065, which is lower than the household income for the Charleston MSA. Residents within a 3-mile radius have a considerably higher level of educational attainment than those of the Charleston MSA, while median owner-occupied home values are considerably higher.

Retail and Public Services

The nearest shopping facilities serving the area are located along King and Meeting Streets within 1.5 miles of the subject. The subject's location is within walking distance of most basic convenience goods and personal services.

The closest regional mall is the Centre Pointe development, located about 10 miles from the property. Restaurants, principally along major arterials such as King Street are within a 5-minute travel time of the property.

The nearest fire and police stations are within 1 mile of the property. The closest elementary/middle school is less than 1 mile, and the local high school is approximately 2 miles away. The closest colleges and universities are the College of Charleston, Medical University of South Carolina and the Charleston School of Law.

Proximity to parks, open space and other passive recreation is average.

Land Use

Predominant land uses in the immediate vicinity of the subject include a mix of retail, office, and multifamily residential developments. Land use characteristics of the area are summarized below.

Surrounding Area Land Uses	
Character of Area	Urban
Predominant Age of Improvements (Years)	New to 50+ years
Predominant Quality and Condition	Average
Approximate Percent Developed	90%
Land Use Allocation	
Single-Family	20%
Multifamily	20%
Retail	15%
Office	25%
Industrial	10%
Vacant Land	10%
Infrastructure and Planning	Average
Predominant Location of Undeveloped Land	West
Prevailing Direction of Growth	West

Development Activity and Trends

Historically, downtown Charleston was developed mostly with 1 to 3 stories buildings with scattered taller buildings. Over the past five years, changes have been made to zoning allowing for denser development and taller buildings in an effort to create denser development thus in an effort to combat sprawl and growing transportation problems which plague coastal cities like Charleston.

During the last five years, development has been predominantly redevelopment of properties for multifamily/mixed uses and offices. Several hotels are planned for Meeting Street near the subject. Most of these buildings are at least six stories in height and are changing both the character and skyline of the upper peninsula. The pace of development has rapidly accelerated over the past three to four years.

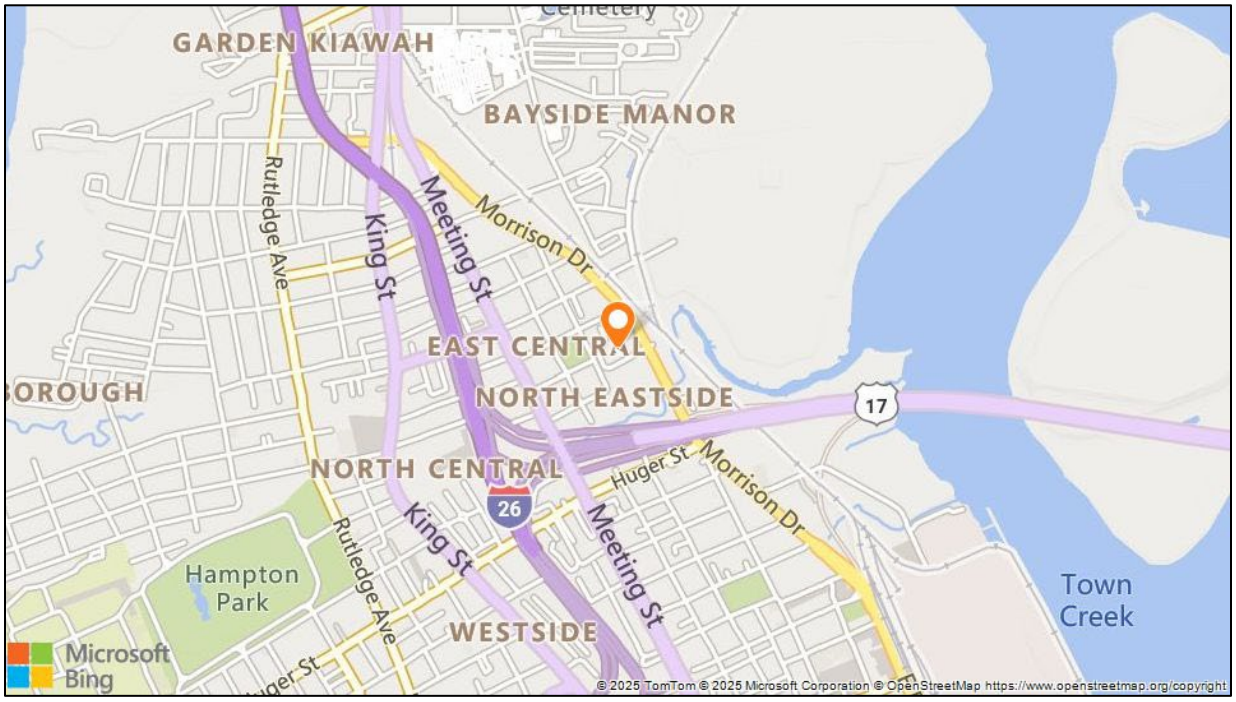
Outlook and Conclusions

The area is in the growth/revitalization stage of its life cycle. We anticipate that property values will increase in the near future.

In comparison to other areas in the region, the area is rated as follows:

Surrounding Area Ratings	
Highway Access	Average
Demand Generators	Average
Convenience to Support Services	Average
Convenience to Medical Services	Average
Convenience to Public Transit	Average
Employment Stability	Average
Neighborhood Amenities	Average
Police and Fire Protection	Average
Barriers to Competitive Entry	Average
Price/Value Trends	Average
Property Compatibility	Average

Surrounding Area Map



Market Analysis

The subject's highest and best use is for mixed use development which would likely include retail, office and multifamily components. Given the focus of this report on the affordability parameters on multifamily development, we have only analyzed the Charleston multifamily market.

Multifamily Market Analysis

The subject will be utilized as transitional and recovery housing for women and children through the Gospel Star Mission in Charleston. The configuration of the improvements will be similar to housing which is rented in the area. As such, we analyze the multifamily market.

Metro Area Overview

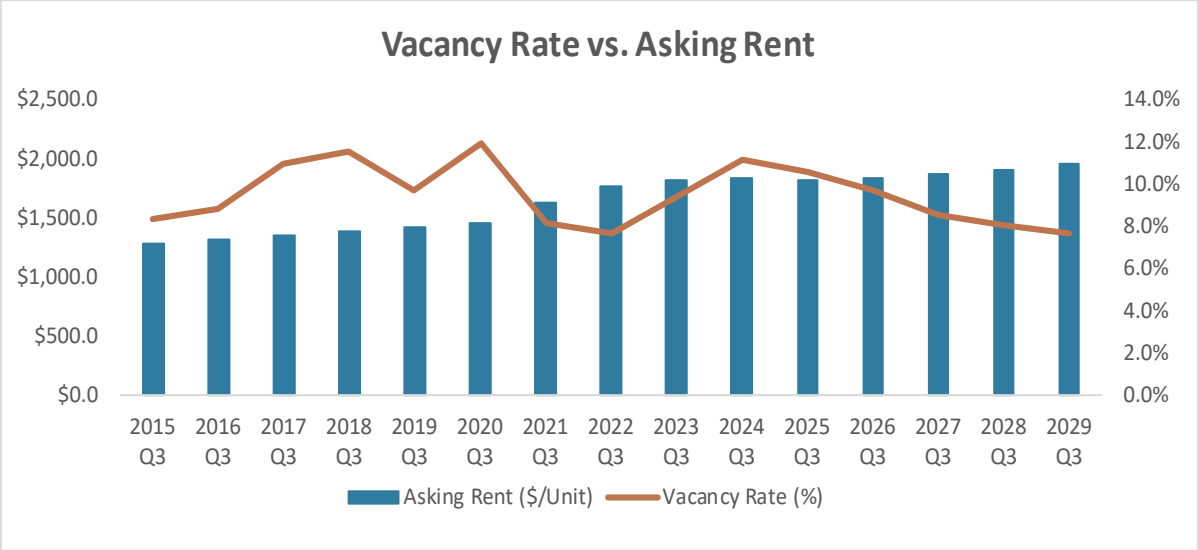
The subject is located in the Charleston - SC USA metro area as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the ensuing table.

All Multifamily Charleston - SC USA Metro Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2015 Q3	41,206	37,766	8.35%	2,561	2,684	1,559	$1,288	4.58%	10.37%	5.80%
2016 Q3	42,470	38,692	8.89%	1,264	6,481	927	$1,329	3.22%	6.85%	5.77%
2017 Q3	46,255	41,175	10.98%	3,785	4,861	2,482	$1,354	1.88%	5.90%	5.59%
2018 Q3	50,184	44,354	11.62%	3,929	4,433	3,179	$1,392	2.77%	6.71%	5.50%
2019 Q3	52,390	47,309	9.70%	2,206	4,956	2,955	$1,424	2.35%	7.01%	5.39%
2020 Q3	56,065	49,377	11.93%	3,675	6,438	2,068	$1,453	2.00%	8.54%	5.09%
2021 Q3	60,168	55,262	8.15%	4,103	6,219	5,886	$1,634	12.45%	20.79%	4.51%
2022 Q3	62,788	57,956	7.70%	2,620	6,038	2,693	$1,774	8.61%	6.66%	4.60%
2023 Q3	66,040	59,811	9.43%	3,252	8,528	1,854	$1,817	2.38%	-7.96%	5.22%
2024 Q3	70,790	62,860	11.20%	4,750	5,378	3,048	$1,836	1.08%	-0.34%	5.41%
2025 Q3	75,131	67,158	10.61%	4,341	1,596	4,298	$1,824	-0.67%	2.94%	5.40%
2026 Q3	76,460	69,046	9.70%	1,329	0	1,888	$1,835	0.62%	1.67%	5.33%
2027 Q3	77,057	70,483	8.53%	597	0	1,436	$1,869	1.82%	3.46%	5.29%
2028 Q3	78,177	71,894	8.04%	1,120	0	1,411	$1,916	2.55%	4.72%	5.21%
2029 Q3	79,554	73,441	7.68%	1,377	0	1,547	$1,958	2.18%	4.47%	5.12%

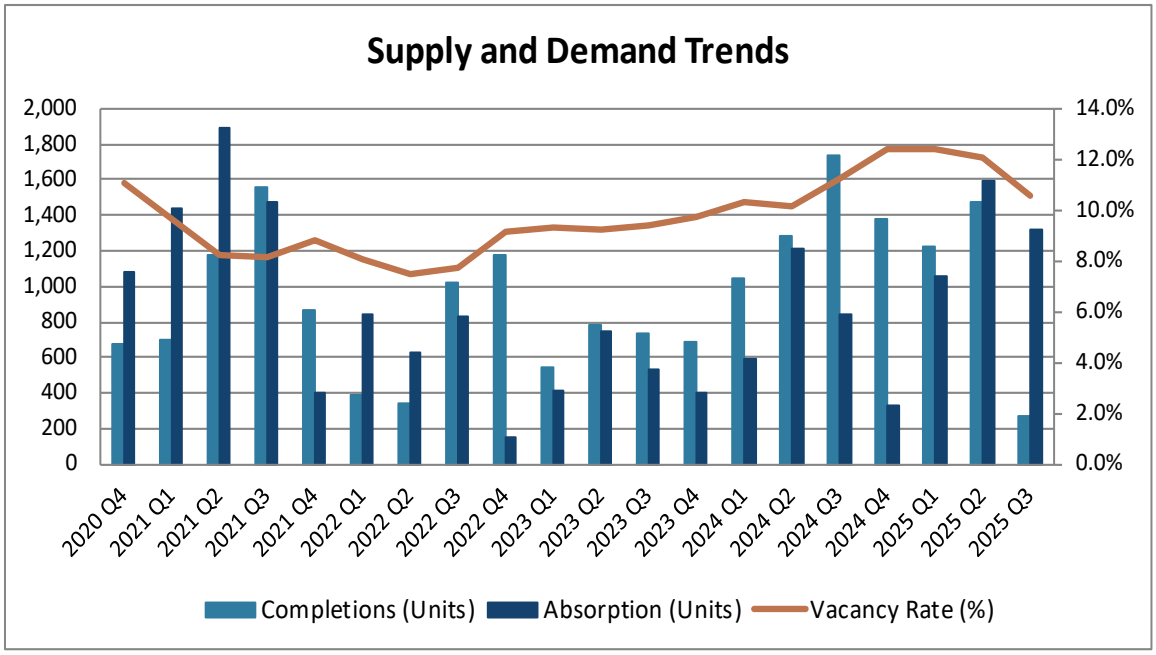
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Charleston - SC USA Metro Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The current vacancy rate in the metro area is 10.61%; the vacancy rate has increased by 118 bps from 2023 Q3.
- Two-year Base Case forecasts project a 8.53% vacancy rate in the metro area, representing a decrease of 208 bps by 2027 Q3.
- Asking rent averages $1,824/unit in the metro area, and values have increased by 0.38% from 2023 Q3.
- Two-year Base Case forecasts project a $1,869/unit asking rent in the metro area, representing an increase of 2.47% by 2027 Q3.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 13.77% from 2023 Q3, while the demand has increased by 12.28%.
- Between 2020 Q4 and 2025 Q3, net completions in the metro area have averaged 3,813 units annually, and reached a peak of 1,735 units in 2024 Q3.
- Between 2020 Q4 and 2025 Q3, net absorption in the metro area has averaged 3,556 units annually, and reached a peak of 1,893 units in 2021 Q2.

Submarket Overview

The subject is located in the Downtown Charleston submarket as defined by CoStar. Trended supply and demand statistics, including inventory levels, absorption, vacancy, and rental rates for all classes of space are presented in the following table.

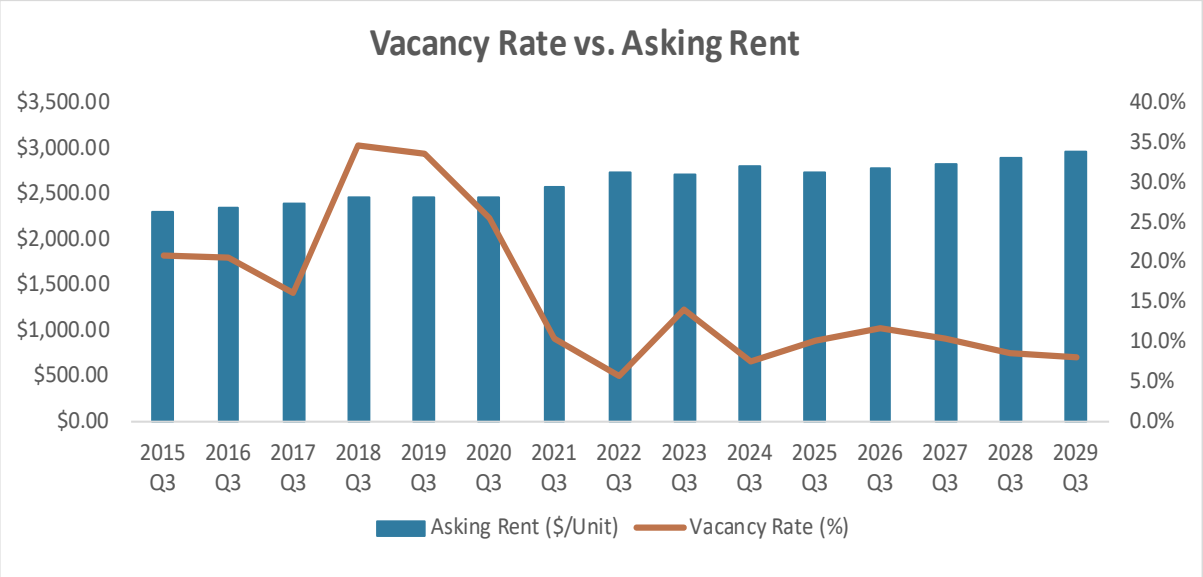
All Multifamily Downtown Charleston Submarket Trends

Period	Stock	Demand	Vacancy	Net Completions 12 Months	Under Construction Stock	Net Absorption 12 Months	Asking Rent	Rent Growth 12 Month	Price Growth	Cap Rate
2015 Q3	1,459	1,157	20.72%	5	42	-83	$2,310	3.29%	5.25%	5.29%
2016 Q3	1,501	1,191	20.64%	42	809	34	$2,357	2.00%	6.12%	5.22%
2017 Q3	1,281	1,075	16.05%	-220	1,380	-116	$2,397	1.72%	3.34%	5.17%
2018 Q3	1,996	1,306	34.58%	715	1,487	231	$2,453	2.33%	7.74%	5.07%
2019 Q3	2,567	1,702	33.69%	571	926	398	$2,464	0.44%	5.86%	4.99%
2020 Q3	3,072	2,285	25.62%	505	1,105	582	$2,466	0.09%	5.36%	4.80%
2021 Q3	3,633	3,252	10.49%	561	1,498	966	$2,584	4.79%	16.64%	4.34%
2022 Q3	3,684	3,476	5.65%	51	1,447	224	$2,747	6.33%	3.29%	4.49%
2023 Q3	4,402	3,788	13.96%	718	729	312	$2,715	-1.20%	-8.92%	5.12%
2024 Q3	4,706	4,354	7.49%	304	448	566	$2,798	3.06%	-1.11%	5.31%
2025 Q3	4,877	4,387	10.05%	171	347	34	$2,746	-1.84%	1.10%	5.40%
2026 Q3	5,153	4,554	11.64%	276	0	167	$2,778	1.14%	2.15%	5.33%
2027 Q3	5,244	4,698	10.42%	91	0	145	$2,830	1.89%	3.75%	5.29%
2028 Q3	5,346	4,886	8.62%	102	0	187	$2,906	2.67%	4.96%	5.22%
2029 Q3	5,467	5,029	8.03%	121	0	142	$2,969	2.18%	4.57%	5.13%

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

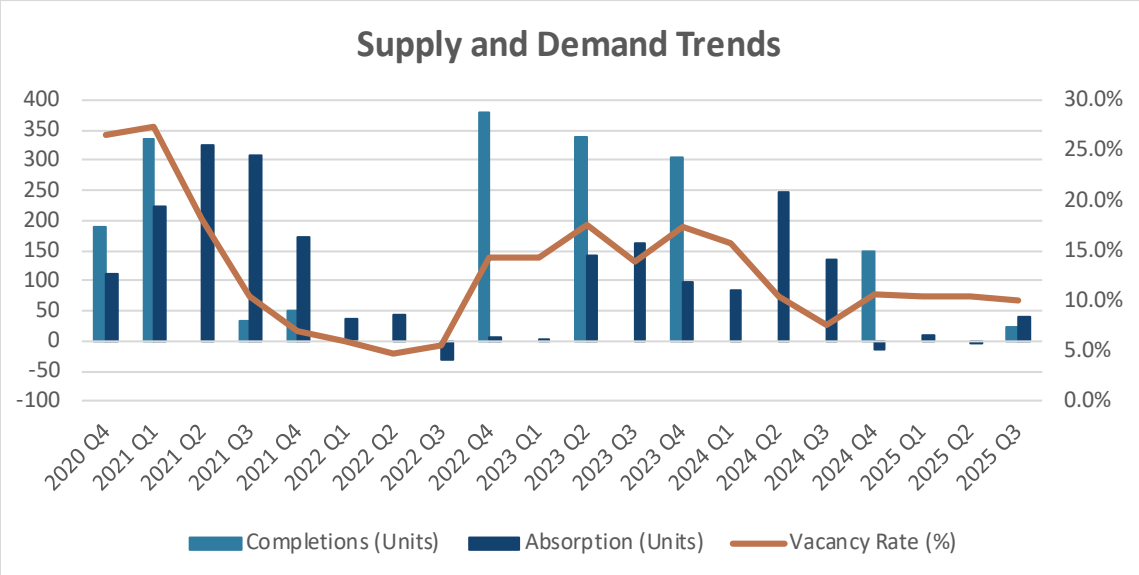
- The Downtown Charleston submarket comprises 6.5% of the metro building stock and 6.5% of the metro building demand.
- The vacancy rate in the Downtown Charleston submarket is 10.05%, which is less than the metro area's average of 10.61%.
- Downtown Charleston market rate is $2,746/unit which is greater than the metro area's average rate of $1,824/unit.

Downtown Charleston Submarket Trends and Forecasts



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

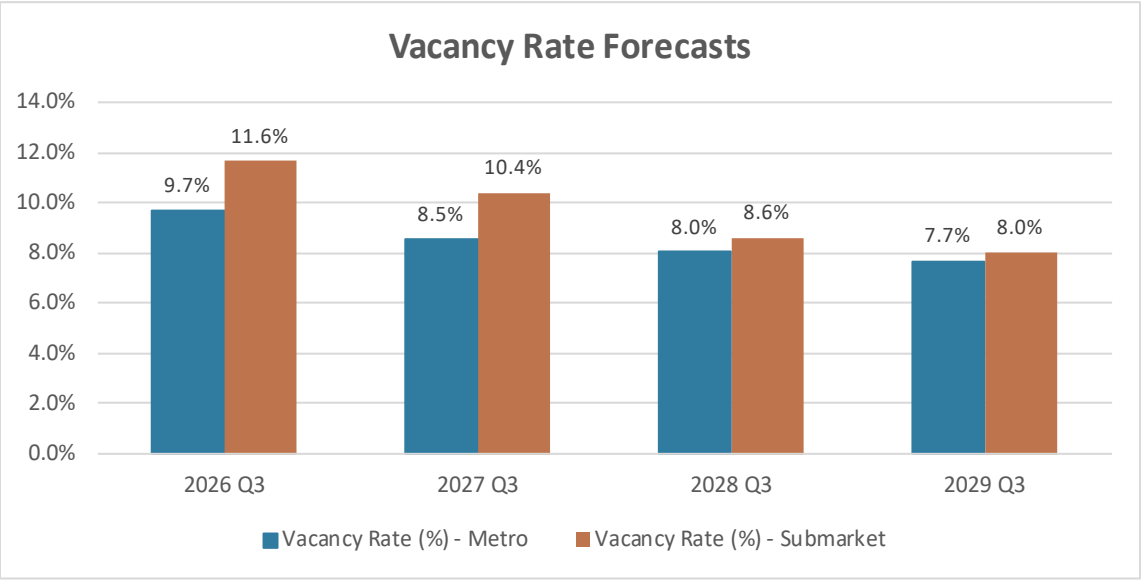
- The current vacancy rate in the submarket area is 10.05%; the vacancy rate has decreased by 391 bps from 2023 Q3.
- Two-year Base Case forecasts project a 10.42% vacancy rate in the submarket area, representing an increase of 37 bps by 2027 Q3.
- Asking rent averages $2,746/unit in the submarket area, and values have increased by 1.15% from 2023 Q3.
- Two-year Base Case forecasts project a $2,830/unit asking rent in the submarket area, representing an increase of 3.06% by 2027 Q3.



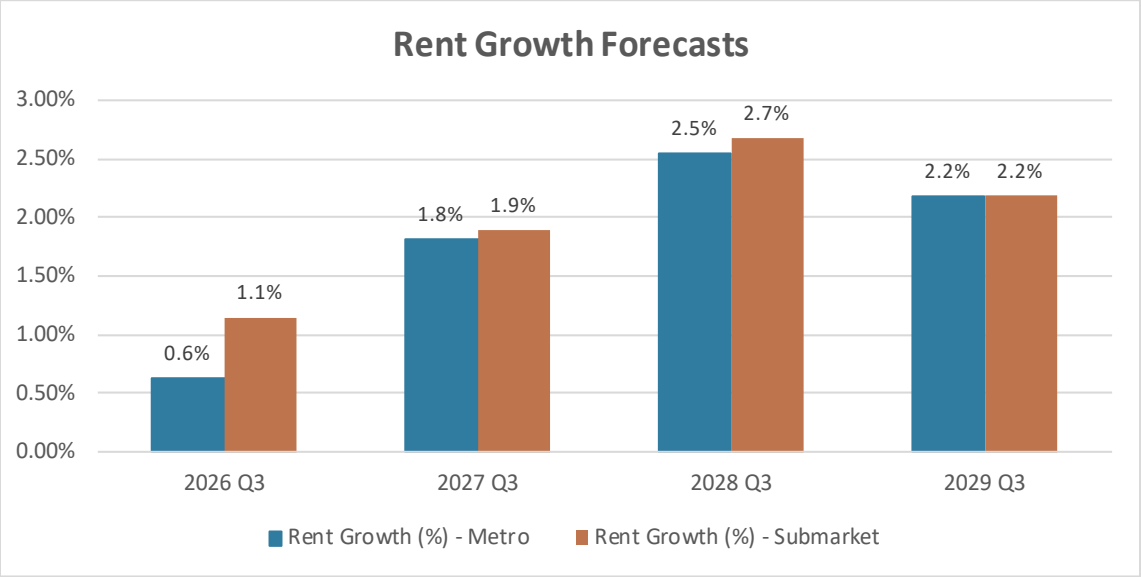
Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

- The total stock (units) has increased by 10.79% from 2023 Q3, while the demand has increased by 15.83%.
- Between 2020 Q4 and 2025 Q3, net completions in the submarket area have averaged 361 units annually, and reached a peak of 379 units in 2022 Q4.
- Between 2020 Q4 and 2025 Q3, net absorption in the submarket area has averaged 420 units annually, and reached a peak of 324 units in 2021 Q2.

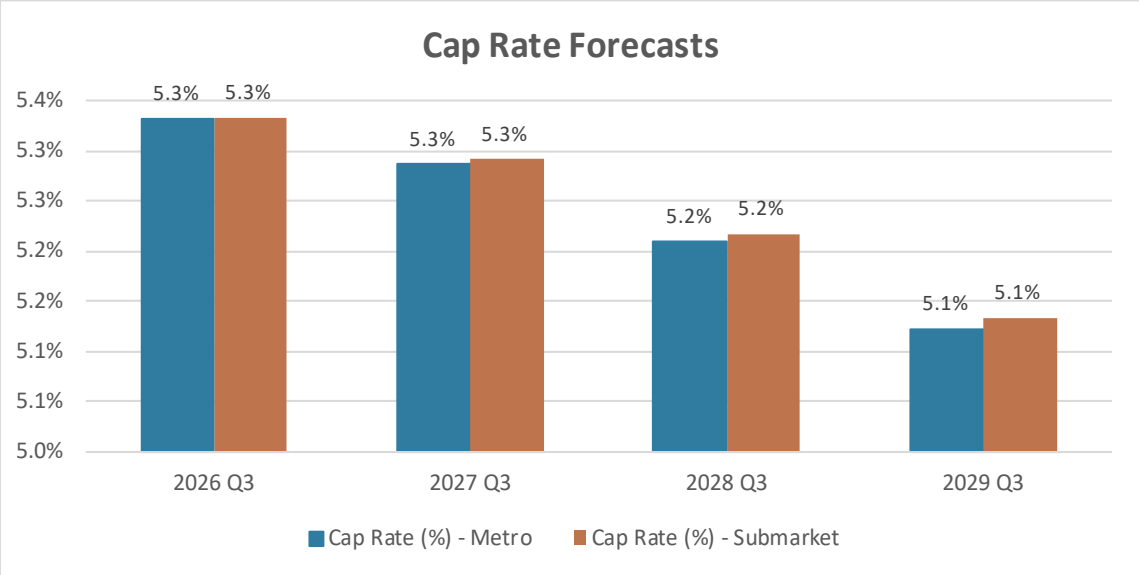
Multifamily Market Forecast Comparisons



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.



Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.

Market Participant Comments

The following comments were taken from the Charleston Multifamily Market Analysis from CoStar dated October 2025.

Stronger than expected absorption and coming relief from intense supply pressures raised optimism among multifamily operators in Charleston heading into the final months of 2025. Population, household, and job growth have continued to support apartment demand. Though longer-term supply pressures continue to weigh on the market, absorption outpaced new deliveries here for the first time in more than three years in 25Q2. With less supply on the way, the prospects for continued decline in vacancy rates have improved.

The vacancy rate of 10.4% is well above the national average but still only slightly higher than the market's 10- year historical average. It has also ticked down from peaks of nearly 12.5% in early 2025. New supply has been the biggest drag on vacancies, with more than 5,000 units delivering in the year ending 25Q2, adding to a wave of more than 22,000 units delivered in the market since 2020.

Another 1,900 units are underway. While that still represents a substantial 2.5% expansion of existing inventory, it is well below the nearly 8,000 units that were under construction at the peak in early 2023. Very few new projects broke ground through the first half of 2025, meaning the construction pipeline will thin further through the rest of the year.

Competition for renters among newly constructed communities has led to a flattening of rent growth and a rise in concession offerings. Rents have shifted, year over year, from peaks of nearly 17% in 2021. Rents in Charleston come at a premium to similarly sized coastal markets and are more comparable to larger coastal markets in Florida, such as Tampa and Orlando.

Both blue-collar and white-collar job growth have supported apartment demand here recently. Manufacturing tenants, including Boeing, Mercedes Benz, and Bosch, have expanded here, and growth in imports at the Port of Charleston has led to expansions in logistics and warehousing employment. Other office using firms have also added jobs here, and proximity to the beach and other amenities have attracted retirees and remote workers.

Multifamily Market Outlook and Conclusions

Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the Charleston metro area to have a positive impact on the subject property's performance in the near-term.

Economic Conditions and Concerns

Commercial real estate markets and the general economy have faced multiple challenges since the COVID-19 pandemic. Inflation rose to levels not seen in 40 years, which prompted the Fed to rapidly increase interest rates between March 2022 and July 2023. The escalating costs of materials and labor, and high borrowing costs have compromised the feasibility of new construction across all property types. Although inflation and rate hikes have subsided, borrowers with pre-2022 mortgages may still find themselves struggling to refinance. In early 2025, federal workforce reductions and changing tariff schedules posed risks of potential recession and/or another round of inflation; however, delays and compromises regarding these tariffs have abated that immediate risk.

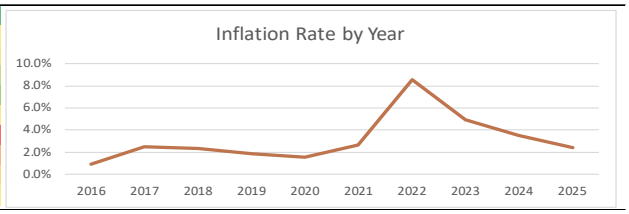
National and international geopolitical issues, and market volatility combined with high inflation and interest rate hikes have pushed the U.S. economy into uncertain territory, while conversely tariff agreements have reduced the risk of outright recession. It's important to look at each of these macroeconomic factors:

- **Potential economic downturn:** Beginning in March and April 2025, increased tariff schedules created volatility in the stock market that led to fears of a recession. These have not materialized yet as of midsummer, although it should be noted that many tariff rates are still subject to negotiation. The second quarter of 2025 reported significant GDP growth (of 3%) after a small decrease in Q1 due to federal workforce reductions, and litigation regarding tariffs has continued to create uncertainty. Job growth has been slow and revised downward, but GDP growth and stock prices remain high. As of October, additional layoff announcements as well as a government shutdown led to increased uncertainty.

- **Record-high inflation:** As of June 2022, the U.S. inflation rate was 9.1%. This was the highest seen since the 1980s, and has had a pronounced effect on both construction costs and rental rates. Since mid-2024, the inflation rate has hovered around 3.0%, but remained above the Fed's target rate and still prompts uncertainty and speculation as to the Fed's future actions. Changing tariff schedules, beginning with initial announcements in April 2025, could increase inflation further in import-sensitive sectors. The table and graph below indicates inflation rates by year, showing the significant spike in 2021-22 during the coronavirus reopening/supply chain crisis as well as continuing elevated inflation through the current date.

Inflation Rates

Rate as of March	Consumer Price Index	Inflation Rate
2016	238.08	0.9%
2017	243.892	2.4%
2018	249.577	2.3%
2019	254.277	1.9%
2020	258.076	1.5%
2021	264.847	2.6%
2022	287.467	8.5%
2023	301.643	4.9%
2024	312.107	3.5%
2025	319.615	2.4%



Source: Federal Reserve Bank of St. Louis as of March 2025

- **Elevated interest rates:** In March 2022, the Federal Open Market Committee began an aggressive series of rate increases that has pushed the effective Federal Funds rate from 0.20% to 5.33%; the last occurring in July 2023. These increases had a negative impact on most commercial and residential real estate markets in 2023 that continued into 2024. Since September 2024, there have been four rate cuts, although borrowing rates remain well above those pre-2022 and borrowers with pre-2022 mortgages can face challenges in refinancing. The most recent rate cut was in October 2025, a 0.25% reduction.

  The changes in the Federal Funds rate are shown in the following table. Additional rate cuts had been considered likely, but with the tariff situation in flux and concerns about potential stagflation during tariff adjustments, further easing is now more uncertain.

FOMC Meeting Date	Basis Point Rate Change	Federal Funds Rate
29-Oct-25	-25	3.75% to 4.00%
17-Sep-25	-25	4.00% to 4.25%
18-Dec-24	-25	4.25% to 4.50%
7-Nov-24	-25	4.50% to 4.75%
18-Sep-24	-50	4.75% to 5.00%
26-Jul-23	25	5.25% to 5.50%
3-May-23	25	5.00% to 5.25%
2-Mar-23	25	4.75% to 5.00%
1-Feb-23	25	4.50% to 4.75%
14-Dec-22	50	4.25% to 4.50%
2-Nov-22	75	3.75% to 4.00%
21-Sep-22	75	3.00% to 3.25%
27-Jul-22	75	2.25% to 2.50%
16-Jun-22	75	1.50% to 1.75%
5-May-22	50	0.75% to 1.00%
17-Mar-22	25	0.25% to 0.50%

- **Tariffs:** Recently announced tariffs on most U.S. trading partners are likely to result in increased costs in the U.S. and worldwide, although the impact is likely to be smaller in most cases than was initially feared due to agreements reached with trading partners such as the EU and Vietnam (both in July 2025). Tariffs on building materials for new and proposed construction projects, as well as existing properties with maintenance and renovation needs, will increase costs and compromise feasibility. These tariffs are also likely to result in cost increases and supply disruptions for retail tenants, as well as an increased risk of tenant default. Overall, the cost of operating and maintaining a building is dramatically higher than it was pre-COVID, and changing tariff schedules have the potential to further increase inflation while reducing economic demand, thus fueling recession fears.

- **Geopolitical issues:** The war in Ukraine and sanctions on Russia have had major global economic implications. While European countries have felt the greatest effects, the U.S. is still

experiencing the conflict's impact. Most notably, the sanctions and resulting supply chain issues have driven up food, shelter and energy prices. Geopolitical uncertainty has been heightened by the war in the Mideast, as well as by tariff increases between the U.S. and its trading partners.

Conclusion

The national and global economic picture in the mid-2020s is defined by historically significant events and uncertainties, which have fueled volatile swings in the stock market and briefly fueled fears of a recession in and around April 2025. Changing tariffs, stubbornly high inflation, and geopolitical conflicts in Europe and the Middle East are potential downside risks to be monitored in the coming months. At the same time, successful tariff negotiations with the EU and several Asian countries are likely to blunt the immediate downside risk. While a recession did not appear to be imminent in September 2025, a further rate cut was announced in October in attempts to prevent further deterioration.

Property Analysis

Land Description and Analysis

Land Description	
Land Area	6.43 acres; 280,091 SF
Source of Land Area	Survey
Primary Street Frontage	Morrison Drive
Secondary Street Frontage	Hanover Street
Secondary Street Frontage	Conroy Street
Shape	Rectangular
Corner	Yes
Topography	Generally level and at street grade
Drainage	No problems reported or observed
Environmental Hazards	None reported or observed
Ground Stability	No problems reported or observed
Flood Area Panel Number	45019C0512K
Date	January 29, 2021
Zone	AE
Description	Within 100-year floodplain
Insurance Required?	Yes
Zoning; Other Regulations	
Zoning Jurisdiction	City of Charleston
Zoning Designation	PUD (Laurel Island)
Description	Planned Unit Development
Legally Conforming?	Appears to be legally conforming
Zoning Change Likely?	No
Permitted Uses	Most commercial and residential uses. Any specific development must be approved. Residential development must include 10% workforce housing.
Minimum Setbacks (Feet)	Per approval
Maximum Building Height	8 Stories
Parking Requirement	Varies by use
Other	The subject property is subject to affordability parameters as outlined in the sales contract.
Rent Control	Yes
Utilities	
Service	Provider
Water	City of Charleston
Sewer	City of Charleston
Electricity	Dominion Energy
Natural Gas	Dominion Energy
Local Phone	Various providers

Flood Zone

The subject is located within the 100-year floodplain based on the AE zone. It is not unusual for developments in the Charleston area to be located within the 100-year flood zone based on the coastal location. A vast majority of the developments on peninsular Charleston are all situated within the AE flood zone.

Zoning

The subject is currently zoned PUD as part of the Laurel Island Planned Development by the City of Charleston. It is also in the Old City Heights District, Amusement and Recreation Overlay Zone, and the Historic Corridor District.

The Old City Height District is comprised of several height district classifications and includes all of peninsular Charleston lying south of Mt. Pleasant Street and the extension thereof across the entire peninsula. Within the Laurel Island PUD, the subject is in an 8 Story District.

The AR Overlay Zone applies to all areas of the peninsular section of the city south of Mount Pleasant Street as extended across the entire peninsular from the Ashley River to Town Creek and bounded by Town Creek, the Cooper River, Charleston Harbor and Ashley River. Within the AR Overlay Zone,

restrictions on amusement and recreation services apply in addition to regulations for each overlayed zone.

Within the Historic Corridor District, the Board of Architectural Review (BAR) reviews all new construction, alterations and renovations visible from the public right-of-way. The BAR reviews all demolitions of buildings 50 years or age or older on any structures south of Mount Pleasant Street and any demolitions (regardless of age) within the Old and Historic District.

We are not experts in the interpretation of zoning ordinances. An appropriately qualified land use attorney should be engaged if a determination of compliance with zoning is required.

Zoning PUD Workforce Housing Requirement

2.4 Workforce Housing

At all times from the enactment of the Laurel Island PUD, during the development of the Laurel Island Site, upon the completion of the development thereof, and at all times thereafter no less than ten (10%) percent of all residential dwelling units located on the Laurel Island Site shall be Workforce Housing (the "Permanent Workforce Housing"). Furthermore, an additional ten (10%) percent of such newly-constructed residential dwelling units located on the Laurel Island Site shall also be Workforce Housing (the "Amortized Workforce Housing") for a period of ten (10) years commencing on the lease date for each such unit (the "Amortization Period"). The City's Department of Housing and Community Development shall verify Workforce Housing on the Laurel Island Site according to its standard procedures. Additionally, the Zoning Administrator shall verify compliance with the Workforce Housing requirements set forth herein (1) when a building permit has been obtained for the 1,278th dwelling unit on the Laurel Island Site; and (2) when a building permit has been obtained for 2,556th dwelling unit on the Laurel Island Site.

Workforce Housing, whether Permanent Workforce Housing or Amortized Workforce Housing shall mean Rental Workforce Housing Units to Qualified Households for Affordable Rent, as such terms are defined below. Nothing herein shall prevent or prohibit the relocation, replacement, or reduction (of the overall percentage) of Workforce Housing within the Laurel Island Site from time to time, provided the overall percentage of Permanent Workforce Housing shall not be less than ten (10%) percent of all dwelling units located on the Laurel Island Site and the Amortized Workforce Housing shall not, during the applicable Amortization Period, be less than ten (10%) percent of the total of all of the non-Permanent Workforce Housing dwelling units located on the Laurel Island Site.

Rental Workforce Housing Unit: A dwelling unit, where occupants have, in the aggregate, household income less than or equal to eighty (80%) percent of the area median income (AMI) for rental units.

Qualified Household: Households where occupants have, in the aggregate, a household income less than or equal to eighty (80%) percent of the area median income (AMI) for rental workforce housing units.

Affordable Rent: An amount equal to thirty (30%) percent of eighty (80%) percent of the annual Income Limits as published by the City of Charleston Department of Housing and Community Development, or its successors, for the median household size. In the absence of such information, the annual rent charged by the owner shall not exceed thirty (30%) percent of the annual household income.

Household Income: All sources of financial support, both cash and in kind, of adult occupants of the housing unit, to include wages, salaries, tips, commissions, all forms of self-employment income, interest, dividends, net rental income, income from estates or trusts, Social Security benefits, railroad retirement benefits, Supplemental Security income, Aid to Families with Dependent Children or other public assistance welfare programs, other sources of income regularly received, including Veterans' (VA) payments, unemployment compensation and alimony, and awards, prizes, government or institutional or eleemosynary loans, grants or subsidies and contributions made by the household members' families for medical, personal or educational needs.

Area Median Income (AMI): Area median income (AMI) shall be as determined annually by the City of Charleston Department of Housing and Community Development, or its successors.

Multifamily Affordability Parameters

In addition to the zoning, the site is subject to the following affordability parameters in the sales contract as summarized in the following chart. The effect of these parameters on value is analyzed in greater detail later in the report.

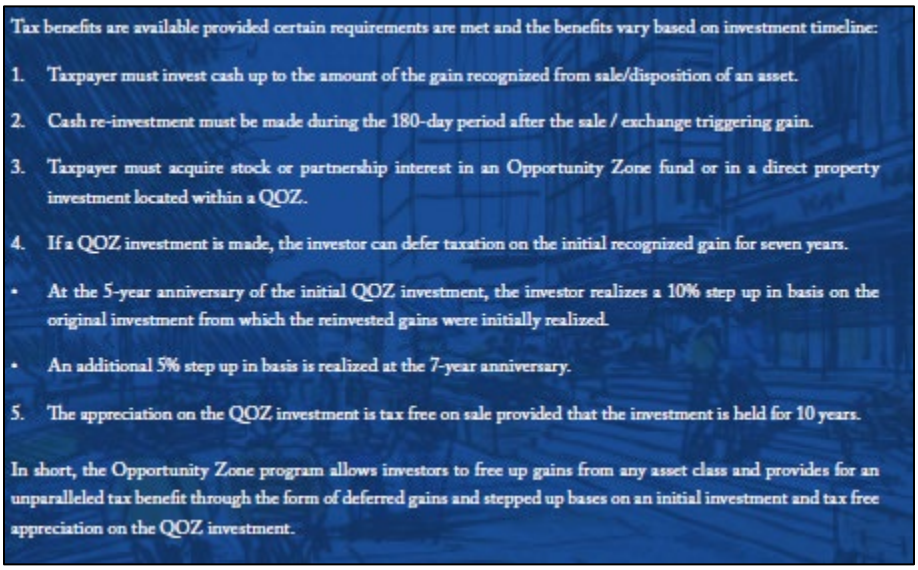
(1) A limited warranty deed, subject only to the Permitted Exceptions, sufficient to transfer and convey to Purchaser good, marketable and insurable fee simple title to the Property as required by this Agreement, in a form agreed upon by Purchaser's counsel (the "***Deed***"), which shall require the property to contain a certain amount, above a nominal number, of residential units for housing and which shall be subject to the affordability parameters set forth herein below;

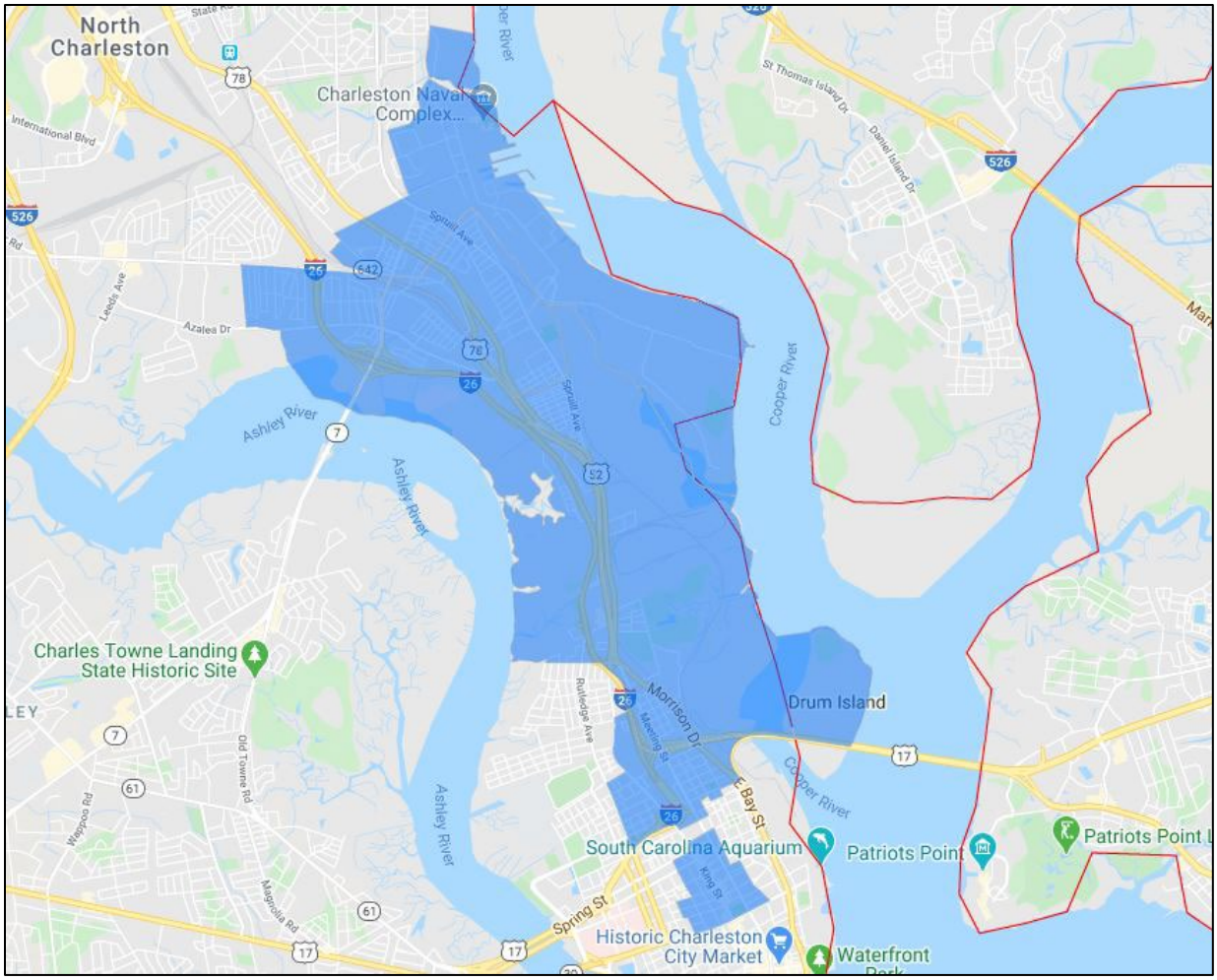
50% of the total residential units for housing on the entire site shall be subject to affordability parameters as further defined:
20% of the entire site for housing not to exceed 120% AMI
10% of the entire site for housing not to exceed 100% AMI
10% of the entire site for housing not to exceed 80% AMI
10% of the entire site for housing not to exceed 60% AMI

Opportunity Zone Location

The subject site is located in a Qualified Opportunity Zone established by the US Treasury Department and IRS. Opportunity zones were formed by the Federal Government in December 2017 to enhance community development in transitioning neighborhoods by offering investors significant tax incentives. Investors can deploy recognized gains (from any asset class) into highly tax advantaged real estate investments (within QOZs) to the benefit of transitioning neighborhoods which improve via free market forces as opposed to government oversight/regulation. The benefits are available only for capital investment in tangible property located within a QOZ where either the original use of the property commences in the QOZ or substantial improvements are made. The opportunity zone offers capital gains tax benefits to the developer. It does not impact the property taxes for the property.

Opportunity zones are a somewhat recent concept, and it remains to be seen how and if the tax incentive affects value. Buyers of properties within an opportunity zone, however, may recognize an economic advantage.





Easements, Encroachments and Restrictions

A current title report was not provided for review. There are no apparent easements, encroachments, or restrictions that would adversely affect value. This valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title.

Conclusion of Site Analysis

Overall, the physical characteristics and the availability of utilities result in a functional site, suitable for a variety of uses including those permitted by zoning. Uses permitted by zoning include most commercial and residential uses. Any specific development must be approved. Residential development must include 10% workforce housing.. No other restrictions on development are apparent.

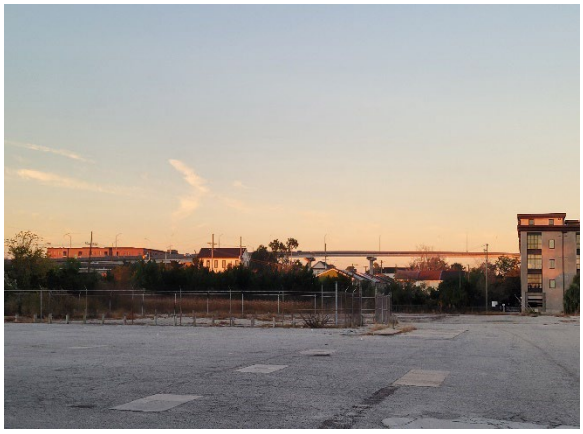
Subject Property
(Photo Taken on November 6, 2025)

Subject Property
(Photo Taken on November 6, 2025)

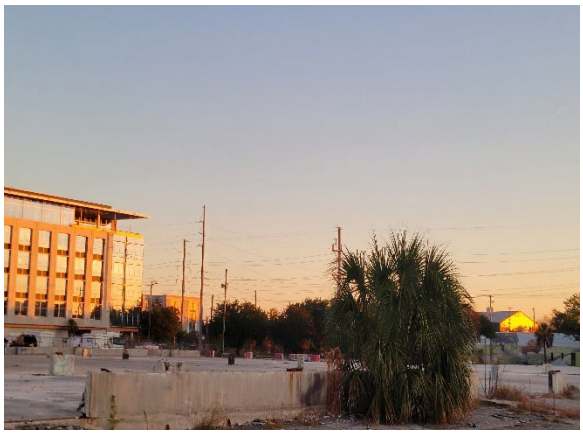
Subject Property
(Photo Taken on November 6, 2025)

Subject Property
(Photo Taken on November 6, 2025)

Subject Property
(Photo Taken on November 6, 2025)



Subject Property
(Photo Taken on November 6, 2025)



Subject Property
(Photo Taken on November 6, 2025)

Subject Property
(Photo Taken on November 6, 2025)

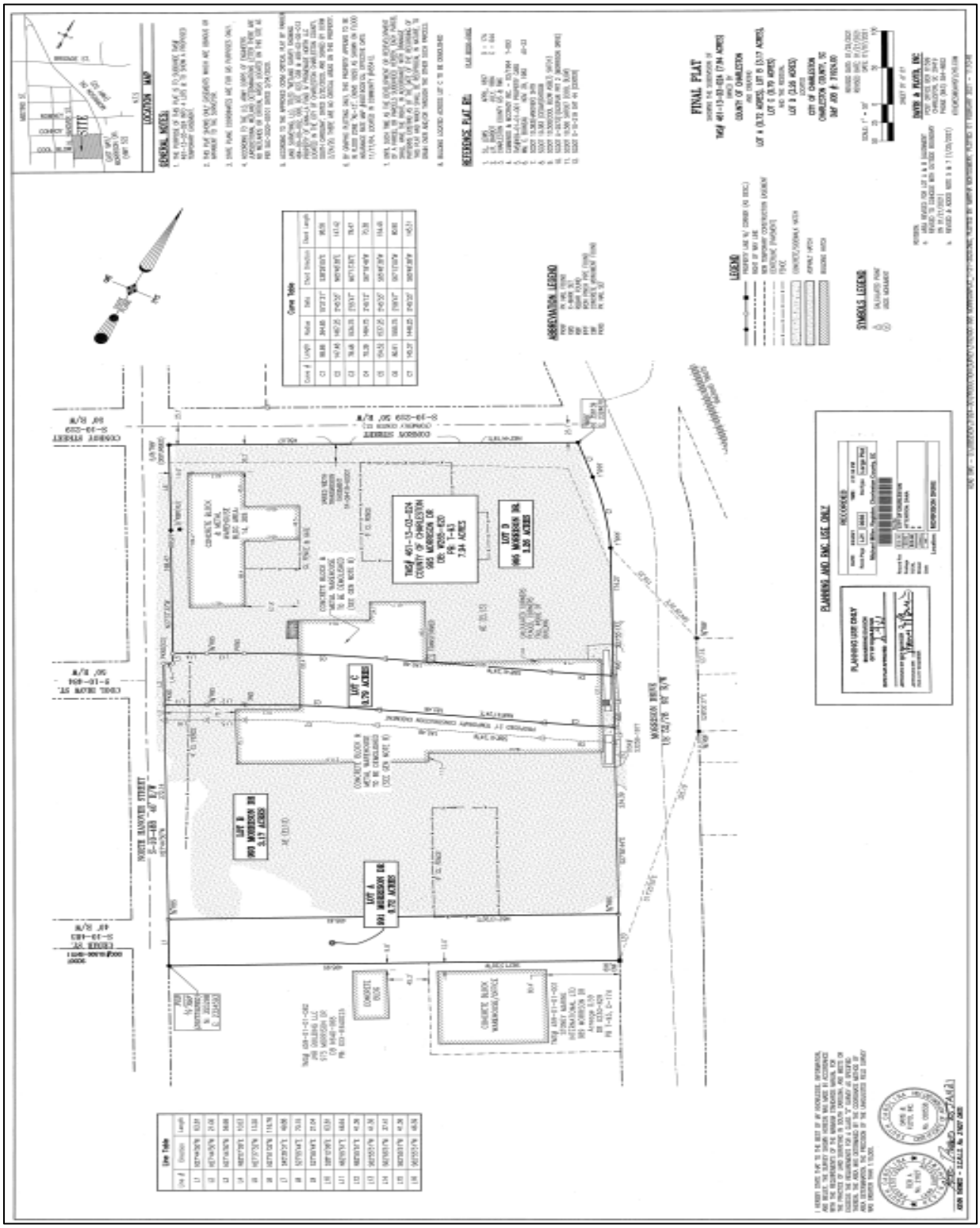
View of Hanover Street
(Photo Taken on November 6, 2025)

View of Conroy Street
(Photo Taken on November 6, 2025)

Morrison Drive Looking North
(Photo Taken on November 6, 2025)

Morrison Drive Looking South
(Photo Taken on November 6, 2025)

Survey



Tax Map

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MORRISON DR
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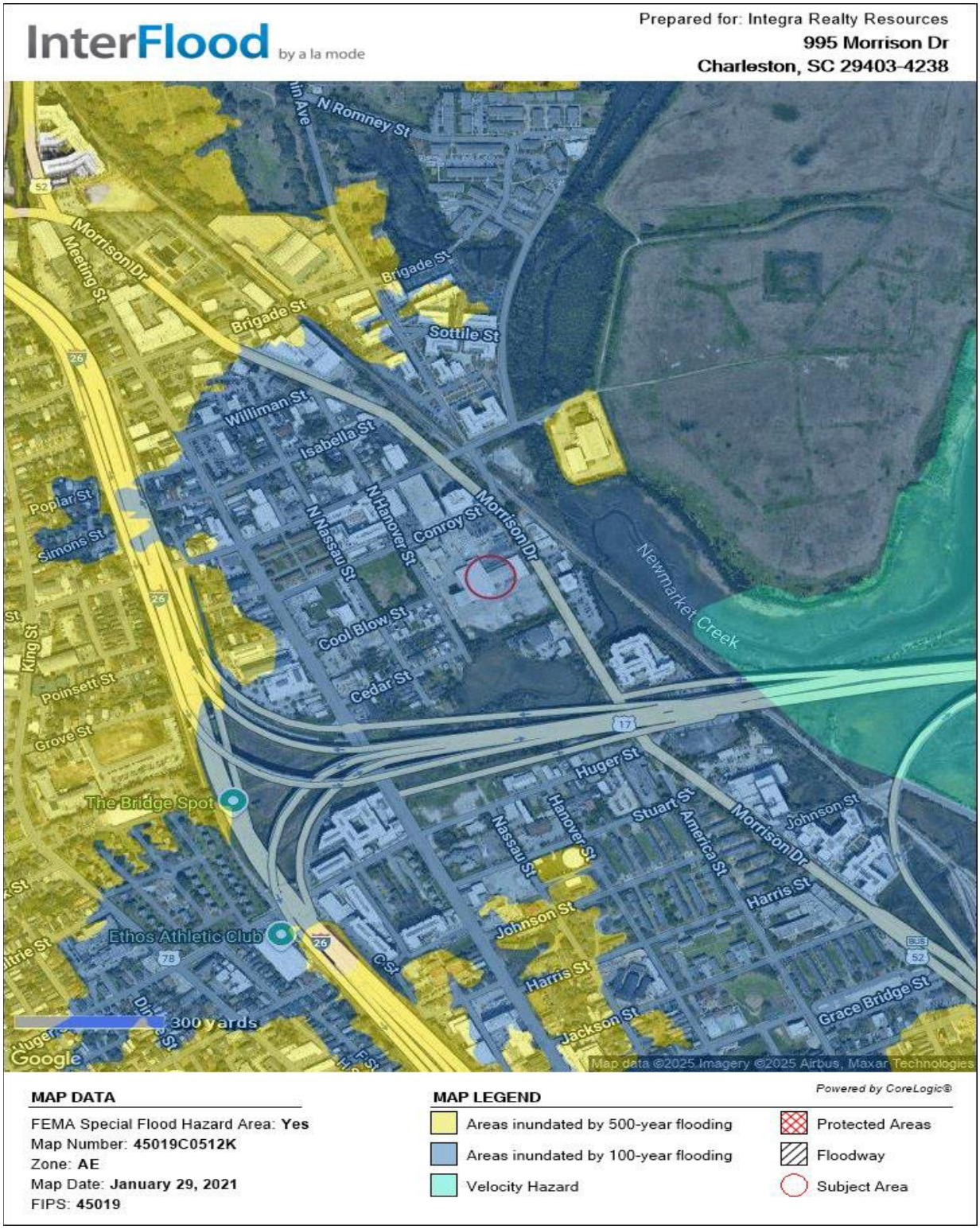
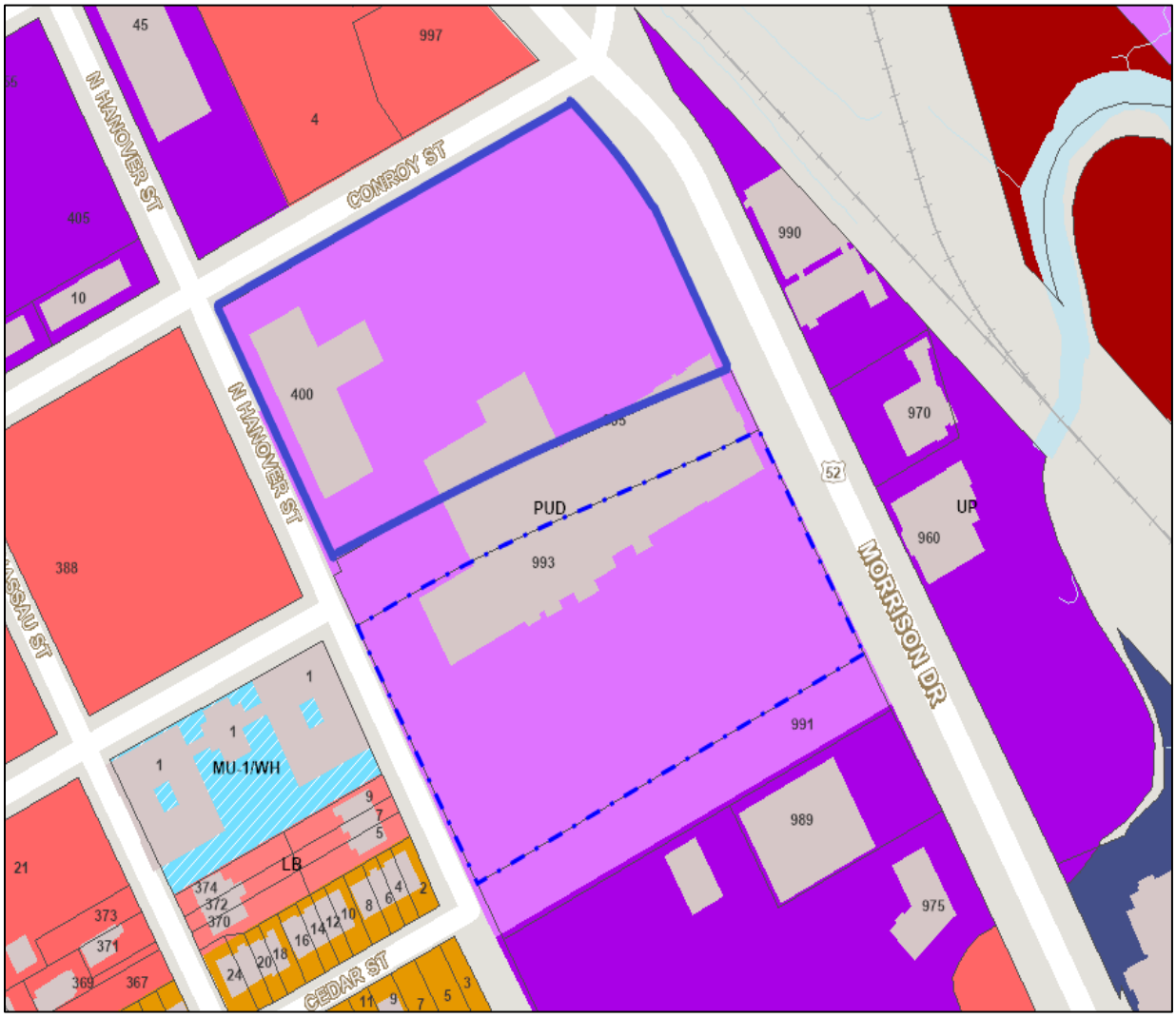
Aerial Photo

Flood Hazard Map



Zoning Map


N HANOVER ST
CONROY ST
MORRISON DR
CEDAR ST
PUD
MU-1/WH
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UP
400
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989
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4
45
405
10
388
21
373
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369
367
374
372
370
52

Real Estate Taxes

Historically, Assessor's market values have generally been lower than true market value. Assessed values for commercial property are based on a current conversion ratio of 6% of assessor's market value. The formula for calculating taxes is presented below.

Assessor's Market Value X 6% = Assessed Value

Assessed Value X Millage Rate = Gross Taxes

Gross Taxes - Tax Credits = Net Taxes

In 2006, the State of South Carolina passed a new real estate law which changes the way real estate taxes are assessed. Under the old laws, property tax values only changed during county-wide reassessments. Under the 2006 law, property tax values are reassessed when there is an "Assessable Transfer of Interest", or ATI which is usually a change in ownership due to a sale. Also, as part of the new law, any new leases that have a term of 20 years or more will also be reappraised. Once the property is sold, the new appraised value would be applied the following year. For example, if a property were on the tax rolls based on a value of $1,000,000 and the property sold for $2,000,000, the appraised value on the tax rolls would increase to $2,000,000 for the next year. The new law also "caps" all properties at the previous reassessment value, plus no more than 15% on subsequent reassessments. Assessments are required every five years.

In 2011, the South Carolina General Assembly changed those rules to create a discount for commercial properties, including rental properties and second homes. Under the changes, the property is still reassessed if there is a transfer of interest, but the new value is discounted by 25% if the owner applies for a "commercial exemption". The discounted assessment cannot be lower than the assessment prior to the sale or transfer. Therefore, a property's value would have to increase 33% to trigger a tax increase related to a sale. For example, if a $1 million property was sold for up to $1.33 million, and the new value was discounted by the 25% exemption, the assessment would go back down to $1 million. The 25% exemption is not automatic. **The purchaser must apply for the exemption by January 30th of the year prior to the next reassessment.**

The property is owned by Charleston County and is exempt from paying real estate taxes. The property is under contract to the City of Charleston which is also exempt from paying real estate taxes.

The subject property is located in Charleston County Tax District 7-1, the City of Charleston. The 2025 total millage rate was 298.1 with a sales tax credit of 0.00164. The subject property is also responsible for total commercial fees of $11,565.

As the concluded market value is based on the presumed sale of the property, we have projected real estate taxes based on our value conclusion. Projected taxes for the subject based on the value conclusion is summarized below. Please note that the potential commercial real estate sales tax credit does not impact market value.

Taxes and Assessments - 2025										
	Assessed Value					Taxes and Assessments				
Tax ID	Market Value	Less 25% Exemption	Taxable Value	Assessment Ratio	Taxable Assessment	Millage Rate	Ad Valorem Taxes	Sales Tax Credit	Commercial Fees	Total
Subject Property	$34,450,000	$8,612,500	$25,837,500	6%	$1,550,250	298.1	$462,130	-$42,374	$11,565	$431,321

Typically, tax comparable properties would be used to assess the reasonableness of the subject taxes; however, due to the changes in the tax law and the assessable transfer of interest; equitable taxes are no longer applicable and provide no basis for reasonable tax treatment.

Highest and Best Use

The highest and best use of a property is the reasonably probable use resulting in the highest value, and represents the use of an asset that maximizes its productivity.

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as though vacant, and as improved or proposed. By definition, the highest and best use must be:

- Physically possible.
- Legally permissible under the zoning regulations and other restrictions that apply to the site.
- Financially feasible.
- Maximally productive, i.e., capable of producing the highest value from among the permissible, possible, and financially feasible uses.

As Though Vacant

First, the property is evaluated as though vacant, with no improvements.

Physically Possible

The physical characteristics of the site do not appear to impose any unusual restrictions on development. Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses.

Legally Permissible

The site is zoned PUD (Laurel Island), Planned Unit Development. Permitted uses include most commercial and residential uses. Any specific development must be approved. Residential development must include 10% workforce housing. There are no apparent legal restrictions, such as easements or deed restrictions, effectively limiting the use of the property. Given prevailing land use patterns in the area, only mixed use is given further consideration in determining highest and best use of the site, as though vacant.

Financially Feasible

Based on the accompanying analysis of the market, there is currently adequate demand for mixed use in the subject's area. It appears a newly developed mixed use on the site would have a value commensurate with its cost. Therefore, mixed use is considered to be financially feasible.

Maximally Productive

There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than mixed use. Accordingly, mixed use, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Development of the site for mixed use is the only use which meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as though vacant.

As Improved

No improvements are situated on the subject. Therefore, a highest and best analysis as improved is not applicable.

Most Probable Buyer

Taking into account the characteristics of the site, as well as area development trends, the probable buyer is a developer.

Valuation

Valuation Methodology

Appraisers usually consider three approaches to estimating the market value of real property. These are the cost approach, sales comparison approach and the income capitalization approach.

The **cost approach** assumes that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility. This approach is particularly applicable when the improvements being appraised are relatively new and represent the highest and best use of the land or when the property has unique or specialized improvements for which there is little or no sales data from comparable properties.

The **sales comparison approach** assumes that an informed purchaser would pay no more for a property than the cost of acquiring another existing property with the same utility. This approach is especially appropriate when an active market provides sufficient reliable data. The sales comparison approach is less reliable in an inactive market or when estimating the value of properties for which no directly comparable sales data is available. The sales comparison approach is often relied upon for owner-user properties and vacant land.

The **income capitalization approach** reflects the market's perception of a relationship between a property's potential income and its market value. This approach converts the anticipated net income from ownership of a property into a value indication through capitalization. The primary methods are direct capitalization and discounted cash flow analysis, with one or both methods applied, as appropriate. This approach is widely used in appraising income-producing properties.

Reconciliation of the various indications into a conclusion of value is based on an evaluation of the quantity and quality of available data in each approach and the applicability of each approach to the property type.

The methodology employed in this assignment is summarized as follows:

Approaches to Value

Approach	Applicability to Subject	Use in Assignment
Cost Approach	Not Applicable	Not Utilized
Sales Comparison Approach	Applicable	Utilized
Income Capitalization Approach	Not Applicable	Not Utilized

Sales Comparison Approach

To develop an opinion of the subject's land value, as though vacant and available to be developed to its highest and best use, the sales comparison approach is used. This approach develops an indication of value by researching, verifying, and analyzing sales of similar properties. The research focused on transactions within the following parameters:

- Location: Upper Charleston peninsula
- Size: 0.20 to 5.00 acres
- Use: Commercial development
- Transaction Date: Within past four years

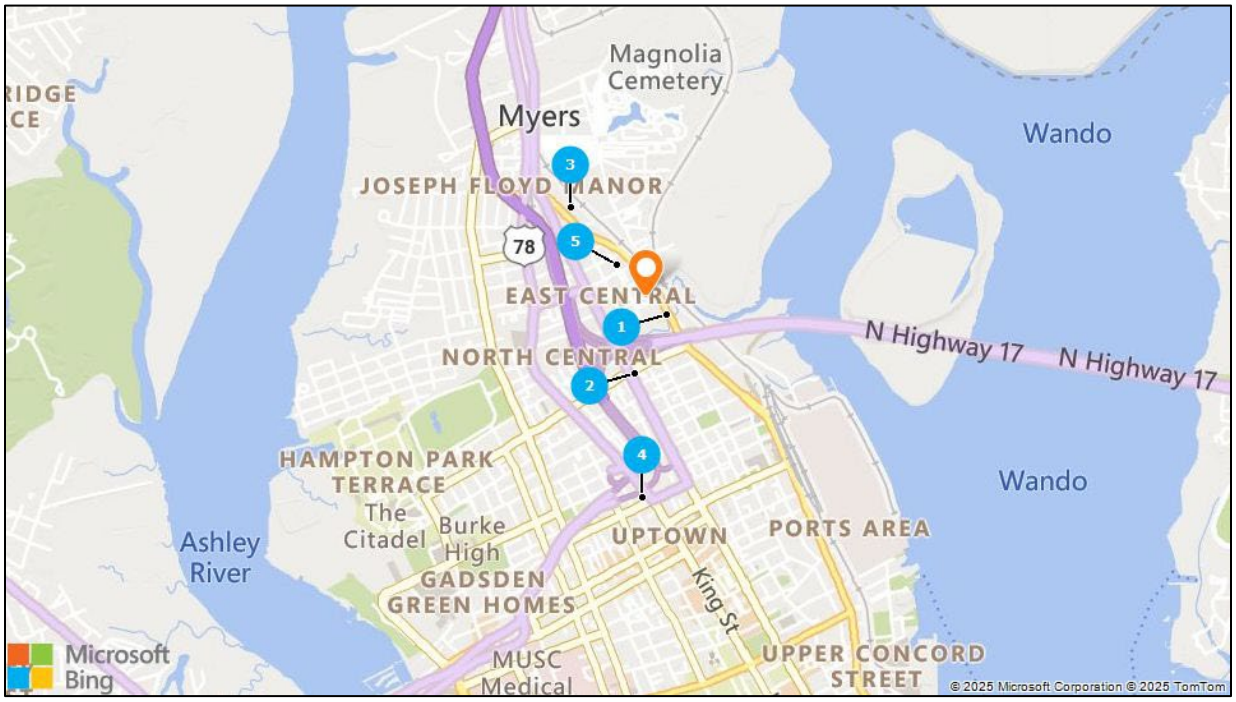
One of the sales is slightly older than three years but is located in the subject's immediate neighborhood and has been included in the analysis.

For this analysis, price per usable square foot is used as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The most relevant sales are summarized in the following table:

Summary of Comparable Land Sales

No.	Name/Address	Sale Date; Status	Effective Sale Price	SF; Acres	Usable SF; Usable Acres	Zoning	$/Usable SF	$/Usable Acre
1	Office Building 975 Morrison Dr. Charleston Charleston County SC	Dec-25 In-Contract	$4,200,000	148,975 3.42	30,928 0.71	UP	$135.80	$5,915,493
	Comments: Purchaser plans to redevelop the property in the future.							
2	Land 590 Meeting St. Charleston Charleston County SC	Apr-25 Closed	$2,000,000	10,018 0.23	10,018 0.23	UP	$199.64	$8,695,652
	Comments: Purchased for redevelopment as part of a proposed hotel with the adjacent parcel at 245 Huger Street.							
3	ILA 1422 Facility 1142 & 1152 Morrison Dr. Charleston Charleston County SC	Apr-25 Closed	$24,700,000	193,929 4.45	193,929 4.45	UP	$127.37	$5,548,068
	Comments: The estimated building demolition costs has been factored into the effective sales price.							
4	0.55 Acre 657 King St. Charleston Charleston County SC	Sep-24 Closed	$4,750,000	23,958 0.55	23,958 0.55	GB	$198.26	$8,636,364
	Comments: Five parcels totaling ±0.55 AC located at the front door to the hospitality and shopping district. It is also highly visible from highway 17 with traffic counts at over 60,800 VPD. Three of the parcels are within the Accommodations Overlay (A-1; 50 room max per parcel), and all five parcels are within the Short Term Rentals Overlay. Easy access to Hwy 17 & I-26 124' frontage on King Street Old City Height District allows up to 6 stories with up to 4 stories high on King St.							
5	0.213 Acre of Land 428 Hanover St. Charleston Charleston County SC	Apr-22 Closed	$1,260,000	9,139 0.21	9,139 0.21	UP	$137.87	$6,005,720
	Comments: Adjacent parcels purchased for redevelopment. One parcel improved with an older, single family residence and the other with a small office building. The improvements add no economic value to the site. The estimated demolition cost of the buildings is reflected in the effective sales price.							
	Subject Charleston County Properties Charleston, SC			280,091 6.43	280,091 6.43	PUD (Laurel Island)		

Comparable Land Sales Map



Sale 1
Office Building

Sale 2
Land

Sale 3
ILA 1422 Facility

Sale 4
0.55 Acre

Sale 5
0.213 Acre of Land

Analysis and Adjustment of Sales

Adjustments are based on a rating of each comparable sale in relation to the subject. The adjustment process is typically applied through either quantitative or qualitative analysis, or a combination of both analyses. Quantitative adjustments are often developed as dollar or percentage amounts, and are most credible when there is sufficient data to perform a paired sales analysis.

While percentage adjustments are presented in the adjustment grid, they are based on qualitative judgment rather than empirical research, as there is not sufficient data to develop a sound quantitative estimate. Although the adjustments appear to be mathematically precise, they are merely intended to illustrate an opinion of typical market activity and perception. With the exception of market conditions, the adjustments are based on a scale, with a minor adjustment in the range of 1-5% and a substantial adjustment considered to be 20% or greater.

The rating of each comparable sale in relation to the subject is the basis for the adjustments. If the comparable is superior to the subject, its sale price is adjusted downward to reflect the subject's relative attributes; if the comparable is inferior, its price is adjusted upward.

Transactional adjustments are applied for property rights conveyed, financing, conditions of sale, expenditures made immediately after purchase, and market conditions. In addition, property adjustments include – but are not limited to – location, access/exposure, size, quality, effective age, economic and legal characteristics, and non-realty components of value. Adjustments are considered for the following factors, in the sequence shown below.

Transactional Adjustments

Real Property Rights Conveyed

The opinion of value in this report is based on a fee simple estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat, as well as non-detrimental easements, community facility districts, and conditions, covenants and restrictions (CC&Rs). All the comparables represent fee simple estate transactions. Therefore, adjustments for property rights are not necessary.

Financing Terms

In analyzing the comparables, it is necessary to adjust for financing terms that differ from market terms. Typically, if the buyer retained third-party financing (other than the seller) for the purpose of purchasing the property, a cash price is presumed and no adjustment is required. However, in instances where the seller provides financing as a debt instrument, a premium may have been paid by the buyer for below-market financing terms, or a discount may have been demanded by the buyer if the financing terms were above market. The premium or discounted price must then be adjusted to a cash equivalent basis. The comparable sales represented cash-to-seller transactions and, therefore, do not require adjustment.

Conditions of Sale

Adverse conditions of sale can account for a significant discrepancy from the sale price actually paid, compared to that of the market. This discrepancy in price is generally attributed to the motivations of the buyer and the seller. Certain conditions of sale are considered non-market and may include the following:

- a seller acting under duress (e.g., eminent domain, foreclosure);
- buyer motivation (e.g., premium paid for assemblage, certain 1031 exchanges);
- a lack of exposure to the open market;
- an unusual tax consideration;
- a sale at legal auction.

Sale 2 was acquired by the adjacent property owner for future development of a hotel. It appears based on the pricing for comparable sales, there was buyer motivation in the price paid. This sale has been adjusted downward accordingly.

Expenditures Made Immediately After Purchase

This category considers expenditures incurred immediately after the purchase of a property.

Sales 3 and 5 were adjusted upward for building demolition costs.

Market Conditions

A market conditions adjustment is applied when market conditions at the time of sale differ from market conditions as of the effective date of value. Adjustments can be positive when prices are rising, or negative when markets are challenged by factors such as a deterioration of the economy or adverse changes in supply and/or demand in the market area. Consideration must also be given to when the property was placed under contract, versus when the sale actually closed.

In evaluating market conditions, changes between the comparable sale date and the effective date of this appraisal may warrant adjustment; however, if market conditions have not changed, then no adjustment is required.

The sales took place from April 2022 to December 2025. Market conditions have generally been strengthening. The adjustment grid accounts for this trend with upward adjustments over this period through the effective date of value.

Property Adjustments

Location

Factors considered in evaluating location include, but are not limited to, demographics, growth rates, surrounding uses and property values.

Sales 1, 2, 3 and 5 are similar to the subject. No adjustments are necessary. Sale 4 is adjusted downward for superior location.

Access/Exposure

Convenience to transportation facilities, ease of site access, and overall visibility of a property can have a direct impact on property value. High visibility, however, may not translate into higher value if it is not accompanied by good access. In general, high visibility and convenient access, including proximity to major linkages, are considered positive amenities when compared to properties with inferior attributes.

Sales 3 and 4 are similar to the subject and require no adjustment. Sale 2 is superior to the subject. A downward adjustment is applied. Sales 1 and 5 are inferior to the subject. Upward adjustments are applied.

Size

Due to economies of scale, the market exhibits an inverse relationship between land area and price per square foot, such that larger sites generally sell for a lower price per square foot than smaller lots, all else being equal. To account for this relationship, applicable adjustments are applied for differences in land area. The comparables that are larger than the subject are adjusted upward, and vice versa.

All of the comparables are smaller than the subject, and downward adjustments are applied.

Shape and Topography

This category accounts for the shape of the site influencing its overall utility and/or development potential, as well as the grade of the land.

Sales 2 and 5 are similar to the subject and require no adjustment. Sales 1, 3 and 4 are inferior to the subject. Upward adjustments are applied.

Zoning

This element of comparison accounts for government regulations that can affect the types and intensities of uses allowable on a site. Moreover, this category includes considerations such as allowable density or floor area ratio, structure height, setbacks, parking requirements, landscaping, and other development standards. The subject has a zoning designation of PUD (Laurel Island) - Planned Unit Development.

Sales 1, 2, 3 and 5 are similar to the subject and require no adjustment. Sale 4 is inferior to the subject. An upward adjustment is applied.

Utilities

Sites with public utilities available are considered more desirable relative to properties requiring utility extensions, or those that need a private well and/or septic system. Properties without public utilities available typically require higher development costs, all else being equal.

All of the comparables are similar to the subject. No adjustments are necessary.

Adjustments Summary

The sales are compared to the subject and adjusted to account for material differences that affect value. The following table summarizes the adjustments applied to each sale.

Land Sales Adjustment Grid						
	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Name	Charleston County Properties	Office Building	Land	ILA 1422 Facility	0.55 Acre	0.213 Acre of Land
Address	995 Morrison Drive	975 Morrison Dr.	590 Meeting St.	1142 & 1152 Morrison Dr.	657 King St.	428 Hanover St.
City	Charleston	Charleston	Charleston	Charleston	Charleston	Charleston
County	Charleston	Charleston	Charleston	Charleston	Charleston	Charleston
State	South Carolina	SC	SC	SC	SC	SC
Sale Date		Dec-25	Apr-25	Apr-25	Sep-24	Apr-22
Sale Status		In-Contract	Closed	Closed	Closed	Closed
Sale Price		$4,200,000	$2,000,000	$24,500,000	$4,750,000	$1,250,000
Price Adjustment		–	–	$200,000	–	$10,000
Description of Adjustment				Demolition Costs		Demolition Costs
Effective Sale Price		$4,200,000	$2,000,000	$24,700,000	$4,750,000	$1,260,000
Square Feet	280,091	148,975	10,018	193,929	23,958	9,139
Acres	6.43	3.42	0.23	4.45	0.55	0.21
Usable Square Feet	280,091	30,928	10,018	193,929	23,958	9,139
Usable Square Feet	280,091	30,928	10,018	193,929	23,958	9,139
Usable Acres	6.43	0.71	0.23	4.45	0.55	0.21
Corner	Yes	No	Yes	Yes	Yes	No
Zoning Code	PUD	UP	UP	UP	GB	UP
Shape	Rectangular	Irregular	Rectangular	Irregular	Irregular	Rectangular
Topography	Level	Level	Level	Level	Level	Level
Water	Yes	Yes	Yes	Yes	Yes	Yes
Sewer	Yes	Yes	Yes	Yes	Yes	Yes
Price per Usable Square Foot		**$135.80**	**$199.64**	**$127.37**	**$198.26**	**$137.87**
Transactional Adjustments						
Property Rights		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
% Adjustment		–	–	–	–	–
Financing Terms		Cash to seller	Cash to seller	Cash to seller	Cash to seller	Cash to seller
% Adjustment		–	–	–	–	–
Conditions of Sale		Arm's-length	Arm's-length	Arm's-length	Arm's-length	Arm's-length
% Adjustment		–	-25%	–	–	–
Expenditures Made Immediately After Purchase						
$ Adjustment		–	–	–	–	–
Market Conditions	11/6/2025	Dec-25	Apr-25	Apr-25	Sep-24	Apr-22
Annual % Adjustment	2%	–	1%	1%	2%	7%
Cumulative Adjusted Price		**$135.80**	**$151.23**	**$128.64**	**$202.23**	**$147.52**
Property Adjustments						
Location		–	–	–	-30%	–
Access/Exposure		10%	-5%	–	–	10%
Size		-15%	-15%	-5%	-15%	-15%
Shape and Topography		5%	–	5%	5%	–
Zoning		–	–	–	5%	–
Utilities		–	–	–	–	–
Net Property Adjustments ($)		$0.00	-$30.25	$0.00	-$70.78	-$7.38
Net Property Adjustments (%)		0%	-20%	0%	-35%	-5%
Final Adjusted Price		**$135.80**	**$120.98**	**$128.64**	**$131.45**	**$140.15**

Range of Adjusted Prices	**$120.98 - $140.15**
Average	**$131.40**
Indicated Value	**$130.00**

Land Value Conclusion

Prior to adjustments, the sales reflect a range of $127.37 - $199.64 per usable square foot. After adjustment, the range is narrowed to $120.98 - $140.15 per usable square foot, with an average of $131.40 per usable square foot. To arrive at an indication of value, general weight is given to all sales.

Based on the preceding analysis, the land value conclusion for the subject is presented as follows:

Land Value Conclusion	
Indicated Value per Usable Square Foot	$130.00
Subject Usable Square Feet	280,091
Indicated Value	$36,411,804
Rounded	$36,410,000

Multifamily Affordability Parameters Impact

The value above represents the site value with no restrictions. As previously discussed, the site is subject to the following affordability parameters as summarized in the following chart.

(1) A limited warranty deed, subject only to the Permitted Exceptions, sufficient to transfer and convey to Purchaser good, marketable and insurable fee simple title to the Property as required by this Agreement, in a form agreed upon by Purchaser's counsel (the "***Deed***"), which shall require the property to contain a certain amount, above a nominal number, of residential units for housing and which shall be subject to the affordability parameters set forth herein below;

50% of the total residential units for housing on the entire site shall be subject to affordability parameters as further defined:
20% of the entire site for housing not to exceed 120% AMI
10% of the entire site for housing not to exceed 100% AMI
10% of the entire site for housing not to exceed 80% AMI
10% of the entire site for housing not to exceed 60% AMI

It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the under the multifamily affordability parameters above assumes no favorable financing, tax credits or incentives.

This estimated market value is a very theoretical value as the exact number of units and unit mix is unknown.

To determine the theoretical impact of the deed restriction, we will do the following

1. Determine a number of units per acre based on comparable data
2. Determine a market rent and establish the restricted rent levels
3. The rents applied to the number of units results in potential gross rent
4. Subtract vacancy and expense to arrive at net operating income
5. Capitalize the net operating incomes to determine “market value”
6. Determine the difference in value conclusions
7. Use comparable multifamily developments in downtown Charleston to determine percentage of total development costs that are land
8. Allocated decrease in value to a per square foot (land) figure

The exact number of units that could be developed is unknown. In order to determine potential units, we have surveyed several multifamily projects on the upper peninsula which are summarized in the following chart.

Multifamily Developments Units Per Acre

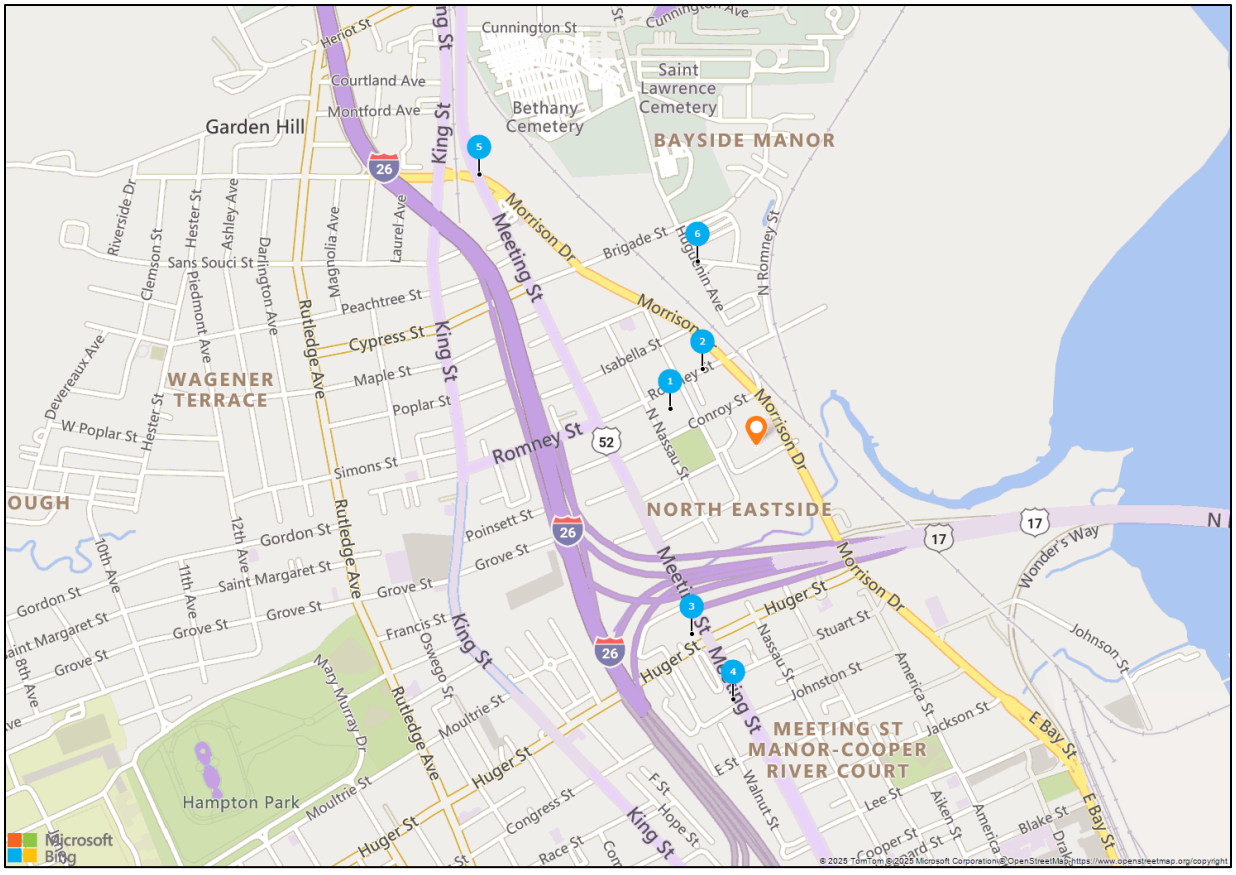
Development	Address	Site Size (Acres)	Units	Units Per Acre
Morrison Yards	838 Morrison Drive	6.05	380	63
Cormac Apartments	1304 Meeting Street	2.82	303	107
The Porter	577 Meeting Street	1.23	118	96
584 Meeting Street	584 Meeting Street	1.62	250	154
Foundry Point	6 Huguenin Ave	6.57	275	42
The Merchant	102 Sottile Street	4.44	231	52
Meeting Street Lofts	601 Meeting Street	3.54	346	98
Element 29	287 Huger Street	2.90	190	66
			Min	42
			Max	154
			Average	85

The comparable developments range from 42 to 154 units per acre with an average of 85 units which will be used in the analysis. The exact, potential unit mix is also unknown. For simplicity, we utilize two-bedroom units only.

A survey of the websites of Class A apartments developments on the upper peninsula indicates that the asking rents for two-bedroom units for the most part ranges from $2,345, to $2,822 per month with an average of $2,629 per month as summarized in the following chart. We will use a market rent of $2,650 per month in the conventional/market valuation.

Comparable Two Bedroom Rents		
Development	Address	2 Bedroom Asking Rent Per Month
Atlantic on Romney	55 Romney Street	$2,715
Foundry Point	20 Romney Street	$2,822
Meeting Street Lofts	601 Meeting Street	$2,707
The Porter	577 Meeting Street	$2,550
Cormac	1310 Meeting Street Road	$2,637
The Merchant	102 Sottile Street	$2,345
	Min	$2,345
	Max	$2,822
	Average	$2,629
	Market Rent Conclusion	**$2,650**

Comparable Rent Map



In order to determine the maximum restricted rents, we reference the 2025 Affordable Rents for Charleston County as shown below. The two-bedroom rents are highlighted in yellow.

STUDIO (1 person household)	60% AMI	80% AMI	100% AMI	120% AMI
Studio Max Income	$46,578	$62,104	$77,630	$93,156
30% of income	$13,973	$18,631	$23,289	$27,947
Monthly Gross Rent	$1,164	$1,553	$1,941	$2,329
less utilities	($50)	($50)	($50)	($50)
Studio Monthly Contract Rent	$1,114	$1,503	$1,891	$2,279
1 BR (1.5 person household)	60% AMI	80% AMI	100% AMI	120% AMI
1 BR Max Income	$49,905	$66,540	$83,175	$99,810
30% of income	$14,972	$19,962	$24,953	$29,943
Monthly Gross Rent	$1,248	$1,664	$2,079	$2,495
less utilities	($75)	($75)	($75)	($75)
1 BR Monthly Contract Rent	$1,173	$1,589	$2,004	$2,420
2 BR (3 person household)	60% AMI	80% AMI	100% AMI	120% AMI
2 BR Max Income	$59,886	$79,848	$99,810	$119,772
30% of income	$17,966	$23,954	$29,943	$35,932
Monthly Gross Rent	$1,497	$1,996	$2,495	$2,994
less utilities	($100)	($100)	($100)	($100)
2 BR Monthly Contract Rent	$1,397	$1,896	$2,395	$2,894
3 BR (4.5 person household	60% AMI	80% AMI	100% AMI	120% AMI
3 BR Max Income	$69,202	$92,269	$115,336	$138,403
30% of income	$20,760	$27,681	$34,601	$41,521
Monthly Gross Rent	$1,730	$2,307	$2,883	$3,460
less utilities	($150)	($150)	($150)	($150)
3 BR Monthly Contract Rent	$1,580	$2,157	$2,733	$3,310

Potential gross rent at market rates is $2,703,000 and potential gross rents based on the affordability parameters is $2,461,656 as shown in the following chart. Please note that for the 120% AMI, rent we use the market rent as the maximum rent is above market.

We deduct 10% for vacancy and credit loss (based on the current Downtown Charleston submarket rate of 10.5%) and 40% for operating expenses (based on market comparables) to arrive at the net operating income.

An appropriate capitalization rate based on market data is applied to both the net operating income based on market rents and the affordability parameters. The theoretical market value (per acre) using market rents is $29,192,400 and the theoretical market value (per acre) using restricted rents is $26,585,885 as shown in the following chart.

Value Impact Due To Multifamily Affordablity Parameters

	Conventional Market				Affordability Parameters		
	# of Units	Monthly Rent	Annual Gross Rent		# of Units	Monthly Rent	Annual Gross Rent
Units Per Acre	85			Units Per Acre	85		
At Market (100% of Total)	85	$2,650	$2,703,000	At Market (50% of Total)	42	$2,650	$1,335,600
				120% AMI (20% of Total)	17	$2,650	$540,600
				100% AMI (10% of Total)	8	$2,395	$229,920
				80% AMI (10% of Total)	9	$1,896	$204,768
				60% AMI (10% 0f Total)	9	$1,396	$150,768
Potential Annual Gross Rent	85		$2,703,000	Potential Annual Gross Rent	85		$2,461,656
LESS: 10% Vacancy			-$270,300	LESS: 10% Vacancy			-$246,166
Effective Gross Income			$2,432,700	Effective Gross Income			$2,215,490
LESS: Operating Expenses @ 40%			$973,080	LESS: Operating Expenses @ 40%			$886,196
Net Operating Income			$1,459,620	Net Operating Income			$1,329,294
Capitalization Rate			5.00%	Capitalization Rate			5.00%
Indicated Value			**$29,192,400**	Indicated Value			**$26,585,885**
Loss In Total Value		$2,606,515					
Land % of Total		11.00%					
Prorated Loss in Land Value (Per Acre)		$286,717					
Loss In Land Value (Per SF)		$6.58					
Loss In Land Value (PER SF) Rounded		**$7.00**					

The total difference in value is $2,606,515.

In order to determine what percentage of loss in value is attributable to the land, we have analyzed multifamily developments on the upper peninsula in which we have knowledge of the actual development costs. For confidentiality, we have not disclosed the project names.

Upper Peninsula Multifamily Development Costs

Development	Location	Total Development Cost (Rounded)	Land Costs	Land Costs % of Total
Confidential	Morrison Drive	$150,000,000	$16,000,000	10.67%
Confidential	Meeting Street	$35,000,000	$4,500,000	12.86%
Confidential	Meeting Street	$118,000,000	$10,500,000	8.90%
			Min	8.90%
			Max	12.86%
			Average	10.81%

The land cost as a percentage of total costs range from 8.90% to 12.86% with an average of 10.81%. For simplicity, we apply 11% to the $2,606,515 total loss to arrive at the prorated loss per acre of $286,717. This figure is converted to per square foot loss of $6.58, rounded to $7.00.

Value Conclusion: With Consideration of Affordability Parameters

The $7.00 loss is subtracted from the original $130.00 per square foot value for a net price of $123.00 per square foot. This is applied to the 280,091 square foot for Parcel D for an indicated value of $34,451,168, rounded to $34,450,000.

Land Value Conclusion: Multifamily Affordability Parameters

Indicated Value Per Square Foot	$130.00
LESS: Value Lost Affordability Parameters	$7.00
Net Indicated Value Per Square Foot	$123.00
Subject Square Feet	280,091
Indicated Value Per Square Foot	$34,451,168
Rounded	$34,450,000

Reconciliation and Conclusion of Value

As discussed previously, only the sales comparison approach is used to develop an opinion of value for the subject. The cost and income approaches are not applicable, and are not used.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, the concluded value opinion follows:

Value Conclusion

Value Type & Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Fee Simple	November 6, 2025	$34,450,000

Extraordinary Assumptions and Hypothetical Conditions

The value conclusion is subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. We assume that the information provided for the subject property is accurate.
2. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption. The potential tax exemption does not impact market value.
3. It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the subject under the affordability parameters above assumes no favorable financing, tax credits or incentives.

The value conclusion is based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. There were no hypothetical conditions utilized.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Exposure Time

Exposure time is the length of time the subject property would have been exposed for sale in the market had it sold on the effective valuation date at the concluded market value. Based on the concluded market value stated previously, the probable exposure time is 12 months.

Marketing Period

Marketing time is an estimate of the amount of time it might take to sell a property at the concluded market value immediately following the effective date of value. The subject's marketing period is estimated at 12 months.

Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have previously appraised the property that is the subject of this report for the current client. We have provided no other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
11. Scott B. Johnstone, MAI has made a personal inspection of the property that is the subject of this report.
12. No one provided significant real property appraisal assistance to the person signing this certification.
13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.

14. As of the date of this report, Scott B. Johnstone, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.

Scott B. Johnstone, MAI
South Carolina State Certified General Real
Estate Appraiser #3627

Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.
2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.
4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.
5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.
6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.
2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.
3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.
4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.
5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.
6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal

covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.

8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.

9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.

10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.

11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.

12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.

13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.

14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.

15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.

16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.

17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic

conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.

20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Charleston, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.

21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.

22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.

23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.

24. **IRR - Charleston is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Charleston. In addition, it is expressly agreed that in any**

action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

25. IRR - Charleston is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).

26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.

27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.

28. The appraisal is also subject to the following:

Extraordinary Assumptions and Hypothetical Conditions

The value conclusion is subject to the following extraordinary assumptions. An extraordinary assumption is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

1. We assume that the information provided for the subject property is accurate.
2. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption. The potential tax exemption does not impact market value.
3. It should be noted that in most instances, multifamily projects that are designated as affordable housing do not pay less for the site on a per unit basis primarily due to favorable financing, tax credits received and/or local tax incentives. The valuation of the subject under the affordability parameters above assumes no favorable financing, tax credits or incentives.

The value conclusion is based on the following hypothetical conditions. A hypothetical condition is a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

1. There were no hypothetical conditions utilized.

The use of any extraordinary assumption or hypothetical condition may have affected the assignment results.

Addendum A

Appraiser Qualifications

Scott B. Johnstone, MAI

Integra Realty Resources - Charleston

11-C Isabella Street
Charleston, SC 29403

T 843.718.2125
F 843.718.2025

irr.com

Experience

Managing Director with Integra Realty Resources - Charleston. Began appraising in 1999 with Attaway Thompson McCall & Associates, Inc. and joined C.S. McCall & Co., LLC in 2002. Joined Integra Realty Resources - Charleston in July, 2012.

Professional Activities & Affiliations

Member: Lowcountry Land Trust, December 2001
Member: U.S. Green Building Council-South Carolina Chapter, March 2010
MAI Designation, Appraisal Institute Appraisal Institute, October 2012

Licenses

South Carolina, SC 2024-2026 Scott Johnstone, 3627, Expires June 2026

Education

B.S. in Commerce - Washington and Lee University, Lexington, VA - 1986

M.B.A. - University of South Carolina, Columbia, SC - 1990

Appraisal courses completed are as follows:

-Real Estate Appraising Principles
-Advanced Residential Appraisal
-Small Income Property Appraisal
-Appraisal Standards and Ethics
-Residential Property Case Study and URAR Reporting
-Highest and Best Use Application
-Subdivision Valuation
-Litigation Skills for Appraisers: An Overview
-Forecasting Revenue
-Maintaining Control: Dealing with Client Pressure
-Appraising Alternative Uses: Life Beyond Lending
-An Introduction to Green Building Valuation
-Commercial Appraisal Engagement and Review
-Advanced Spreadsheet Modeling for Valuation Applications
-Fundamental of Separating Real Property, Personal Property, and Intangible Business Assets
-310: Basic Income Capitalization -
-410: Standards of Professional Practice, Part A (USPAP)
-420: Standards of Professional Practice, Part B
-320: General Applications
-510: Advanced Income Capitalization
-530: Advanced Sales Comparison & Cost Approach
-540: Report Writing and Valuation Analysis
-550: Advanced Applications

sjohnstone@irr.com - 843.718.2125 x3

State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

SCOTT BOWEN JOHNSTONE

Is hereby entitled in practice as a:

Certified General Appraiser

License Number: 3627

Expiration Date: 06/30/2026
POCKET CARD

Laura L. Smith
Board Executive

About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

Local Expertise...Nationally!

irr.com

Addendum B

IRR Quality Assurance Survey

IRR Quality Assurance Survey

We welcome your feedback!

At IRR, providing a quality work product and delivering on time is what we strive to accomplish. Our local offices are determined to meet your expectations. Please reach out to your local office contact so they can resolve any issues.

Integra Quality Control Team

Integra does have a Quality Control Team that responds to escalated concerns related to a specific assignment as well as general concerns that are unrelated to any specific assignment. We also enjoy hearing from you when we exceed expectations! You can communicate with this team by clicking on the link below. If you would like a follow up call, please provide your contact information and a member of this Quality Control Team will call contact you.

Link to the IRR Quality Assurance Survey: quality.irr.com

Addendum C

Property Information

Administrator Login

$0.00
CHECK OUT

RETURN | SIMILAR SALES | NEW SALES SEARCH | TAX INFO | ADDITIONAL PROPERTY INFO | PRINT

Property Information

Current Owner:
COUNTY OF CHARLESTON
4045 BRIDGE VIEW DR # B217
NORTH CHARLESTON SC 29405

Property ID	4611303024
Physical Address	995 MORRISON DR
Property Class	630 - SPCLTY-WHS
Plat Book/Page	/
Neighborhood	261351 PC51 COMMERCIAL STRIPS
Plat Acres	3.2600

Legal Description: MAPPLATB L21 MAPPLATP 0036 SUBDIVISIONNAME CITY OF CHARLESTON LOT D

Sales History

Book	Page	Date	Grantor	Grantee	Type	Deed	Deed Price
W265	620	2/28/1996	995 MORRISON DRIVE ASSOCIATES	COUNTY OF CHARLESTON		Ge	$1,450,000
R192	094	4/21/1990	RIVER ROAD COMPANY	995 MORRISON DRIVE ASSOCIATES		Ge	$925,000
C117	360	10/2/1978	NOT SUPPLIED	RIVER ROAD COMPANY		Ge	$0
XXX	LEASE	1/1/1900		NOT SUPPLIED		Ma	$0

RETURN | SIMILAR SALES | NEW SALES SEARCH | TAX INFO | ADDITIONAL PROPERTY INFO | PRINT

This data is as-of 09/25/2025

Value Info

Legal Residence:	N
LR Pct:	0
Homestead:	N
AgUse:	N
ATI 25Pct Exemption:	N
Taxable Assessed *:**	$0

	Land	Improvement	Total
Market Value	$0	$0	$0
Capped Value *	$0	$0	$0
Taxable/Use Value **	$0	$0	$0

Total Assessed Value: $0

Value History

2024	2023	2022	2021
Market Value $0	$0	$0	$0
Capped Value * $0	$0	$0	$0
Taxable/Use Value ** $0	$0	$0	$0
Assessed Value $0	$0	$0	$0

Administrator Login

$0.00
CHECK OUT

Please clear the cache on your browser if you are seeing duplicate bills.

RETURN | PRINT

PROPERTY INFO

Account Information

Last Update: 11/7/2025 5:58:16 AM

Parcel Number	Alternate Number	Property Type
4611303024		Real
Owner Information		
Current Owner: COUNTY OF CHARLESTON 4045 BRIDGE VIEW DR # B217 NORTH CHARLESTON, SC 29405		
Location Information		
Physical Address: 995 MORRISON DR CHARLESTON SC 29403		
TAG# 7-1 CITY OF CHARLESTON		
Legal Description		
MapPlatB L21 MapPlatP 0036 SubdivisionName CITY OF CHARLESTON Lot D		

Tax Bills

PERIOD	DUE DATE	TAX	PENALTY	INTEREST	FEES	TOTAL PAID	AMOUNT DUE	STATUS
2025	1/15/2026	$4,168.56	$0.00	$0.00	$0.00	$0.00	$4,168.56	PAY
2021	1/18/2022	$688.00	$0.00	$0.00	$0.00	($688.00)	$0.00	Paid

RETURN | PRINT

PROPERTY INFO

Administrator Login

$0.00
CHECK OUT

RETURN | SIMILAR SALES | NEW SALES SEARCH | TAX INFO | ADDITIONAL PROPERTY INFO | PRINT

Property Information

Current Owner:
COUNTY OF CHARLESTON
4045 BRIDGE VIEW DR # B217
NORTH CHARLESTON SC 29405

Property ID	4611303101
Physical Address	993 MORRISON DR
Property Class	952 - VAC-COMM-LOT
Plat Book/Page	/
Neighborhood	261351 PC51 COMMERCIAL STRIPS
Plat Acres	3.1700

Legal Description: POLTWP MAPPLATB L21 MAPPLATP 0036 SUBDIVISIONNAME CITY OF CHARLESTON BLOCK LOT B GOVLOT TRACT

Sales history does not exist for this account.

RETURN | SIMILAR SALES | NEW SALES SEARCH | TAX INFO | ADDITIONAL PROPERTY INFO | PRINT

This data is as-of 09/25/2025

Value Info

Legal Residence:	N
LR Pct:	0
Homestead:	N
AgUse:	N
ATI 25Pct Exemption:	N
Taxable Assessed *:**	$0

	Land	Improvement	Total
Market Value	$0	$0	$0
Capped Value *	$0	$0	$0
Taxable/Use Value **	$0	$0	$0

Total Assessed Value: $0

Value History

No data available

* **Capped Value:** At County-wide reassessments the increase in the value of a property for tax purposes is limited (capped) at no more than 15%.

** **Taxable/Use Value:** The Capped Value and Taxable/Use Value are usually the same. If the property has been approved for Agricultural Use

Administrator Login

$0.00
CHECK OUT

Please clear the cache on your browser if you are seeing duplicate bills.

RETURN PRINT PROPERTY INFO

Account Information

Last Update: 11/7/2025 6:00:21 AM

Parcel Number	Alternate Number	Property Type
4611303101	323978	Real
Owner Information		
Current Owner: COUNTY OF CHARLESTON 4045 BRIDGE VIEW DR # B217 NORTH CHARLESTON, SC 29405		
Location Information		
Physical Address: 993 MORRISON DR CHARLESTON SC 29403		
TAG# 7-1 CITY OF CHARLESTON		
Legal Description		
PolTwp MapPlatB L21 MapPlatP 0036 SubdivisionName CITY OF CHARLESTON Block Lot B GovLot Tract		

Tax Bills

PERIOD	DUE DATE	TAX	PENALTY	INTEREST	FEES	TOTAL PAID	AMOUNT DUE	STATUS
2025	1/15/2026	$7,395.96	$0.00	$0.00	$0.00	$0.00	$7,395.96	PAY

RETURN PRINT PROPERTY INFO

Addendum D

Comparable Data

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Office Building
Sub-Property Type:	Commercial, Other
Address:	975 Morrison Dr.
City/State/Zip:	Charleston, SC 29403
County:	Charleston
Submarket:	Central
Market Orientation:	Suburban
IRR Event ID:	3419428

Sale Information

Sale Price:	$4,200,000
Effective Sale Price:	$4,200,000
Sale Date:	12/31/2025
Sale Status:	In-Contract
$/Acre(Gross):	$1,228,070
$/Land SF(Gross):	$28.19
$/Acre(Usable):	$5,915,493
$/Land SF(Usable):	$135.80
Grantor/Seller:	JNR Building, LLC and Just Off Morrison, LLC
Grantee/Buyer:	Charleston Skyline, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Verified By:	Scott B. Johnstone, MAI
Verification Date:	10/15/2025
Confirmation Source:	Purchaser
Verification Type:	Confirmed-Buyer

Occupancy

Occupancy at Time of Sale:	100.00%

Improvement and Site Data

Legal/Tax/Parcel ID:	459-01-01-082 and 459-01-01-083
Acres(Usable/Gross):	0.71/3.42
Land-SF(Usable/Gross):	30,928/148,975
Usable/Gross Ratio:	0.21
Year Built:	1981 & 1989
Most Recent Renovation:	Various
Property Class:	B
M&S Class:	D
Construction Quality:	Average
Improvements Cond.:	Average
Construction Desc.:	Masonry
No. of Buildings/Stories:	2/1
Multi-Tenant/Condo.:	Yes/No
Total Parking Spaces:	28
Roof,Heating,AC Comm.:	Composite shingled & flat metal roofing; HVAC assumed adequate
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Feet:	130
Frontage Desc.:	Approximately 130' on Morrison Dr.
Zoning Code:	UP
Zoning Desc.:	Upper Peninsula
Easements:	No
Environmental Issues:	No
Flood Plain:	Yes
Flood Zone Designation:	AE
Comm. Panel No.:	45019C0512K

Land Sale Profile

Sale No. 1

Improvement and Site Data (Cont'd)

Date:	01/29/2021
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All available
Source of Land Info.:	Other

Comments

Purchaser plans to redevelop the property in the future. Subject property improved with two older office building containing 6,275 square feet which have reached the end of their economic life.

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name:	Land
Sub-Property Type:	Commercial, Retail
Address:	590 Meeting St.
City/State/Zip:	Charleston, SC 29403
County:	Charleston
Submarket:	Central
Market Orientation:	Suburban
IRR Event ID:	3407205

Corner Lot:	Yes
Frontage Feet:	102
Frontage Desc.:	Meeting Street
Zoning Code:	UP
Zoning Desc.:	Upper Peninsula
Flood Plain:	Yes
Flood Zone Designation:	AE
Comm. Panel No.:	45019C0512K
Date:	01/29/2021
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All available
Source of Land Info.:	Other

Sale Information

Sale Price:	$2,000,000
Effective Sale Price:	$2,000,000
Sale Date:	04/11/2025
Sale Status:	Closed
$/Acre(Gross):	$8,695,652
$/Land SF(Gross):	$199.64
$/Acre(Usable):	$8,695,652
$/Land SF(Usable):	$199.64
Grantor/Seller:	Morning Dew Holdings, LLC
Grantee/Buyer:	245 Huger Street, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	Deed Book 1306, Page 986
Verified By:	Scott B. Johnstone, MAI
Verification Date:	09/12/2025
Confirmation Source:	Purchaser
Verification Type:	Confirmed-Buyer

Comments

Purchased for redevelopment as part of a proposed hotel with the adjacent parcel at 245 Huger Street.

Property located at the lighted intersection of Meeting Street and Huger Street.

Improvement and Site Data

MSA:	Charleston-North Charleston, SC
Legal/Tax/Parcel ID:	459-01-03-047
Acres(Usable/Gross):	0.23/0.23
Land-SF(Usable/Gross):	10,018/10,018
Usable/Gross Ratio:	1.00

Land

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name:	ILA 1422 Facility
Sub-Property Type:	Commercial, Other
Address:	1142 & 1152 Morrison Dr.
City/State/Zip:	Charleston, SC 29403
County:	Charleston
Submarket:	Central
Market Orientation:	Suburban
IRR Event ID:	3407210

Land-SF(Usable/Gross):	193,929/193,929
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Corner Lot:	Yes
Frontage Feet:	672
Frontage Desc.:	Morrison Drive
Zoning Code:	UP
Zoning Desc.:	Upper Peninsula
Flood Plain:	No
Flood Zone Designation:	X (Shaded)
Comm. Panel No.:	450019C0512K
Date:	01/29/2021
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All available
Source of Land Info.:	Other

Sale Information

Sale Price:	$24,500,000
Effective Sale Price:	$24,700,000
Sale Date:	04/04/2025
Sale Status:	Closed
$/Acre(Gross):	$5,548,068
$/Land SF(Gross):	$127.37
$/Acre(Usable):	$5,548,068
$/Land SF(Usable):	$127.37
Grantor/Seller:	International Longshoremen's Association, Local 1422
Grantee/Buyer:	Morrison OZB, LLC
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	Deed Book 1305, Page 444
Verified By:	Scott B. Johnstone, MAI
Verification Date:	09/12/2025
Confirmation Source:	Shoreline Realty
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

MSA:	Charleston-North Charleston, SC
Legal/Tax/Parcel ID:	461-09-01-007 and 008
Acres(Usable/Gross):	4.45/4.45

Comments

The estimated building demolition costs has been factored into the effective sales price.

Property improved with 31,640 square foot commercial building used as a union hall. Building is underutilization of the site. Property marketed for sale for redevelopment. Per property owner, estimated cost of building demolition is $200,000.

Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	0.55 Acre
Sub-Property Type:	Commercial, Other
Address:	657 King St.
City/State/Zip:	Charleston, SC 29403
County:	Charleston
Submarket:	Central
Market Orientation:	Urban
IRR Event ID:	3288622

Sale Information

Sale Price:	$4,750,000
Effective Sale Price:	$4,750,000
Sale Date:	09/18/2024
Recording Date:	09/18/2024
Contract Date:	06/01/2024
Listing Price:	$4,750,000
Listing Date:	02/17/2022
Sale Status:	Closed
$/Acre(Gross):	$8,636,364
$/Land SF(Gross):	$198.26
$/Acre(Usable):	$8,636,364
$/Land SF(Usable):	$198.26
Grantor/Seller:	The Twisted Bubble LLC
Grantee/Buyer:	11.5 Saint Phillip LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Terms of Sale Comments:	Arms length
Document Type:	Deed
Recording No.:	Book 0454, Page 482
Verified By:	Scott B. Johnstone, MAI
Verification Date:	05/08/2025
Confirmation Source:	Broker
Verification Type:	Confirmed-Seller Broker

Improvement and Site Data

Legal/Tax/Parcel ID:	460-04-04-090, 091, 092, 100, 102, 021, portion of 460-04-04-022
Acres(Usable/Gross):	0.55/0.55
Land-SF(Usable/Gross):	23,958/23,958
Usable/Gross Ratio:	1.00
Shape:	Irregular
Topography:	Level
Vegetation:	Trees and grasses
Corner Lot:	Yes
Frontage Feet:	390
Frontage Desc.:	258' US Hwy 17, 132' King St.
Frontage Type:	2 way, 1 lane each way
Zoning Code:	GB
Zoning Desc.:	General Business
Utilities:	Electricity, Water Public, Sewer
Source of Land Info.:	Public Records

Comments

Five parcels totaling ±0.55 AC located at the front door to the hospitality and shopping district. It is also highly visible from highway 17 with traffic counts at over 60,800 VPD. Three of the parcels are within the Accommodations Overlay (A-1; 50 room max per parcel), and all five parcels are within the Short Term Rentals Overlay. Easy access to Hwy 17 & I-26 124' frontage on King Street Old City Height

Comments (Cont'd)

District allows up to 6 stories with up to 4 stories high on King St.

Land Sale Profile

Sale No. 5

Location & Property Identification

Property Name:	0.213 Acre of Land
Sub-Property Type:	Commercial
Address:	428 Hanover St.
City/State/Zip:	Charleston, SC 29403
County:	Charleston
Submarket:	Central
Market Orientation:	CBD
IRR Event ID:	2933113

Sale Information

Sale Price:	$1,250,000
Effective Sale Price:	$1,260,000
Sale Date:	04/14/2022
Sale Status:	Closed
$/Acre(Gross):	$6,005,720
$/Land SF(Gross):	$137.87
$/Acre(Usable):	$6,005,720
$/Land SF(Usable):	$137.87
Grantor/Seller:	Cynthia K. Dawson etal
Grantee/Buyer:	MD Investments of SC, LLC
Property Rights:	Fee Simple
Document Type:	Deed
Recording No.:	Deed Book 1101, Page 030
Verified By:	Scott B. Johnstone, MAI
Verification Date:	09/29/2022
Verification Type:	Secondary Verification

Improvement and Site Data

Legal/Tax/Parcel ID:	461-13-01-018 and 019
Acres(Usable/Gross):	0.21/0.21
Land-SF(Usable/Gross):	9,139/9,139
Usable/Gross Ratio:	1.00
Corner Lot:	No
Frontage Feet:	96
Frontage Desc.:	Hanover Street
Zoning Code:	UP
Zoning Desc.:	Upper Peninsula
Utilities:	Electricity, Water Public, Sewer, Gas
Utilities Desc.:	All available
Source of Land Info.:	Public Records

Comments

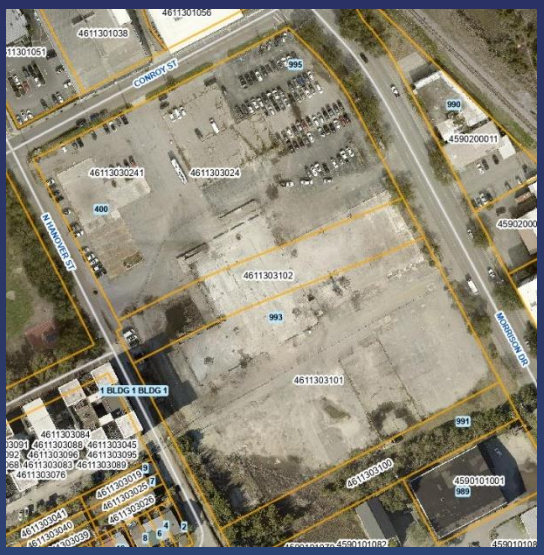
Adjacent parcels purchased for redevelopment. One parcel improved with an older, single family residence and the other with a small office building. The improvements add no economic value to the site. The estimated demolition cost of the buildings is reflected in the effective sales price.

Adjacent parcels on Hanover Street.

Appraisal Report

Morrison Drive County Properties
993-995 Morrison Drive
Charleston, Charleston County, South Carolina 29403

Report Date: August 25, 2025



FOR:

City of Charleston
Mr. Josh Martin
Special Advisor
80 Broad Street
Charleston, South Carolina 29401

Valbridge Property Advisors | Charleston

1250 Fairmont Avenue
Mount Pleasant, South Carolina, 29464
843-884-1266 phone
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valbridge.com

Valbridge File Number:
SC01-25-0761-000

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August 25, 2025

Karl P. Finkelstein MAI, AI-GRS
843-884-1266 x116
kfinkelstein@valbridge.com

Mr. Josh Martin
Special Advisor
City of Charleston
80 Broad Street
Charleston, South Carolina 29401

RE: Appraisal Report
Morrison Drive County Properties
993-995 Morrison Drive
Charleston, Charleston County, South Carolina 29403

Dear Mr. Martin:

In accordance with your request, an appraisal of the referenced property was prepared. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to the value opinions. This letter of transmittal does not constitute an appraisal report and the rationale behind the value opinion(s) reported cannot be adequately understood without the accompanying appraisal report.

The referenced property is on the west side of Morrison Drive and to the south of Romney Street and is further identified as tax parcel numbers 461-13-03-101, 461-13-03-102 & 461-13-03-024. The three parcels are described as follows:

- Lot D: 461-13-03-024 - 995 Morrison Drive, 3.26 acres;
- Lot B: 461-13-03-101 - 993 Morrison Drive, 3.17 acres;
- Lot C: 461-13-03-102 – "Laurel Island Access" 0.79 Acres

As a single parcel, they total 7.22 acres or 314,503 square feet.

Lots D and B are currently owned by Charleston County. They are separated by Lot C which is owned by LRA Promenade, LLC who was originally slated to develop Laurel Island across Morrison Drive northeast of this property. Lot C was purchased to provide the developers with an extension of Cool Blow Street to a planned bridge for access to Laurel Island.

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Laurel Island was formerly used as a household waste landfill and a dredge spoil at separate times through the early 20th century, and when the landfill was closed, it was capped. Laurel Island has been the subject of several development proposals over the past 20 years and in September 2021, a development agreement between the owners of Laurel Island, Charleston County, and The City of Charleston was finalized.

The intent of the plan was to enable a strong connection to the environment by establishing view corridors to the water, incorporating public parks, docks and ballfields on the water's edge, and providing a pedestrian path that encircles the entire island. Other key features of the Master Plan included establishing new height districts, an emphasis on bicycle transportation as well as the pedestrian experience, enhancements and connections to public transportation, a diverse mix of uses, establishing an independent architectural review board, and the inclusion of affordable housing.

As such, the various properties a part of the Laural Island Development (including Lots B, C and D) were rezoned, and all are part of the Laurel Island PUD. This allowed for "Mixed-Use Zoning", consistent with all permitted, conditional, and special exception uses provided for in the General Business and Upper Peninsula zoning classifications and any overlay districts thereon, as set forth in the City of Charleston Zoning Ordinance Article 2, Part 3, as amended through August 19, 2020.

There is also a workforce housing requirement in the PUD as follows: "10% of all dwelling units on the Laurel Island Site will be set aside as workforce housing at all times and that at least an additional 10% of completed dwelling units on the Laurel Island Site will be set aside as workforce housing for 10 years from the lease date for such workforce housing units".

Finally, Lots B, C and D are subject to an overlay district known as the "Tech Corridor". The intent of the Tech Corridor "TC" overlay zone is to enable high technology and technology-related industries to anchor new development in the district. The City deems it necessary to provide additional protections to ensure these key properties are used predominately for tech office uses. Within this overlay zone, specific types of land uses are permitted only with the approval of a special exception and certain uses are specifically prohibited.

One such example of this allowed use is the adjacent *Charleston Tech Center,* a six-story, state of the art-office-building, a City of Charleston parking garage, and a linear public park. The office building's ground floor was designed to allow for a mix of commercial retail spaces. Charleston Digital Corridor's Flagship 3 business incubator anchors one floor. The top floor includes a rooftop terrace for events. The seven-story, 800-space garage will serve the future high-density, tech-centric Innovation District in the upper peninsula area of downtown Charleston.

The "TC' overlay is restrictive on allowable uses. According to the City of Charleston, residential uses cannot exceed 50% of the overall program, and any retail uses are limited to no more than 25,000 square feet. These restrictions have been considered in our valuation analysis and conclusion herein.

Since the properties are not owned by the same entity, are not contiguous in terms of ownership, and have different highest and best uses independently of each other, we have appraised them as individual properties and then added the conclusions together. That conclusion is then discounted to present value to reflect market value as a single property to a single purchaser.

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The analyses, opinions, and conclusions were developed, and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the requirements of our client.

The client in this assignment is City of Charleston and the intended user of this report is City of Charleston and no others. The intended use is to aid in internal decision making purposes and purchase negotiations. The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report.

The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- None

Hypothetical Conditions:

- None

Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusions

Component	Market Value
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	August 15, 2025
Value Conclusion	**$22,870,000**
	$72.72 PSF

Respectfully submitted,
Valbridge Property Advisors | Charleston

Karl P. Finkelstein, MAI, AI-GRS
Senior Managing Director
South Carolina Certified General CG 3396
Expires 06/30/2026

Pledger M. "Jody" Bishop III, MAI, SRA, AI-GRS, CRE
Senior Managing Director
South Carolina Certified General CG 795
Expires 6/30/2026

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Summary of Salient Facts

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Summary of Salient Facts

Property Identification

Property Name	Morrison Drive County Properties
Property Address	993-995 Morrison Drive Charleston, Charleston County, South Carolina 29403
Latitude & Longitude	32.807466, -79.942735
Census Tract	6931.02
Tax Parcel Numbers	461-13-03-101 & 461-13-03-024
Property Owners	County of Charleston

Site

Zoning	Planned Development and Tech Corridor Overlay Zone (PUD and TC)
FEMA Flood Map No.	45019C0512K
Flood Zone	Zone A
Gross Land Area	7.22 acres - 314,503 sf

Valuation Opinions

Highest & Best Use - As Vacant	PUD/Mixed Use or Technology Overlay
Reasonable Exposure Time	6 to 12 months
Reasonable Marketing Time	6 to 12 months

Value Indications

Approach to Value	Market Value
Sales Comparison	$22,870,000
Cost	Not Developed
Income Capitalization	Not Developed

Value Conclusions

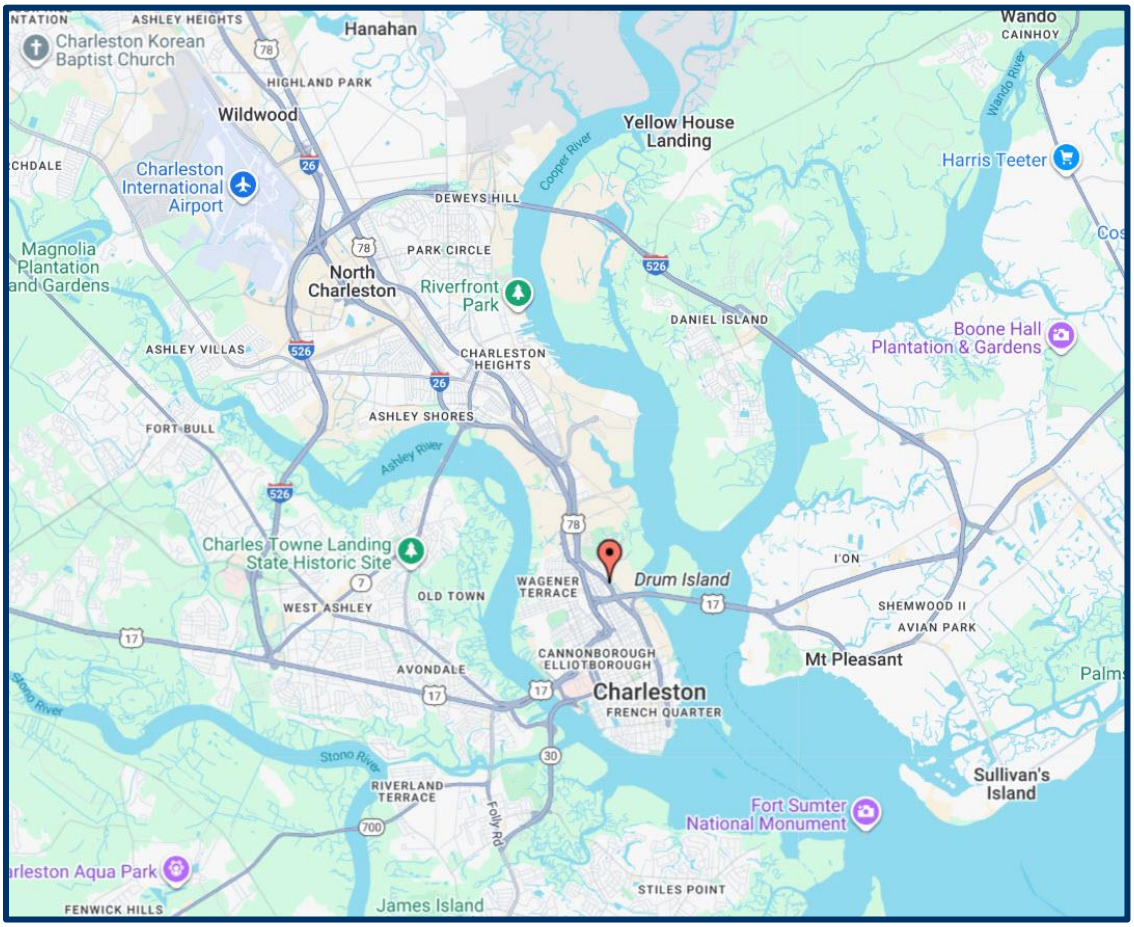
Component	Market Value
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	August 15, 2025
Value Conclusion	**$22,870,000**
	$72.72 PSF

Aerial and Front Views

AERIAL VIEW

FRONT VIEW

Location Map



Introduction

Client and Intended Users of the Appraisal

The client in this assignment is City of Charleston and the intended user of this report is City of Charleston. Under no circumstances shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report:

i. The borrower(s) on any loans or financing relating to or secured by the subject property,

ii. Any guarantor(s) of such loans or financing; or

iii. Principals, shareholders, investors, members or partners in such borrower(s) or guarantors.

Intended Use of the Appraisal

The intended use of this report is to aid in internal decision making purposes and purchase negotiations.

Real Estate Identification

This property is at 993-995 Morrison Drive, Charleston, Charleston County, South Carolina 29403. It is further identified by the tax parcel numbers 461-13-03-101, 461-13-03-102 & 461-13-03-024.

Legal Description

ALL those certain pieces, parcels or lots of land, situate, lying and being in the City of Charleston, County of Charleston, State of South Carolina, shown and designated as **"LOT D"**, **"LOT A"**, **"LOT B"** and **"LOT C"** on a plat entitled "FINAL PLAT SHOWING THE SUBDIVISION OF TMS# 461-13-03-024 (7.94 ACRES) OWNED BY COUNTY OF CHARLESTON AND CREATING LOT A (0.72 ACRES), LOT B (3.17 ACRES), LOT C (0.79 ACRES) AND THE RESIDUAL LOT D (3.26 ACRES) LOCATED CITY OF CHARLESTON CHARLESTON COUNTY, S.C.", prepared by Kevin Thewes, PLS #21627 of Davis & Floyd, Inc., dated January 7, 2021, last revised January 25, 2021, and recorded February 4, 2021, in **Plat Book L21, Page 0036**, in the Office of the Register of Deeds for Charleston County, South Carolina, reference to which is hereby craved for a more complete description.

TMS NO. 461-13-03-024 (Lot D)
TMS NO. 464-13-03-100 (Lot A)
TMS NO. 464-13-03-101 (Lot B)
TMS NO. 464-13-03-102 (Lot C)

Use of Real Estate as of the Effective Date of Value

As of the effective date of value, the property use was vacant land.

Use of Real Estate as Reflected in this Appraisal

The property use reflected in this appraisal is the same.

Ownership of the Property

According to Charleston County Property Records, title to the Lots B and D is in the name of County of Charleston and for Lot C it is in the name of LRA Promenade, LLC.

History of the Property

Property ownership has not changed within the past three years.

Active Listing/Offer/Contract

As of this date, this property was not being marketed for sale and there were no unsolicited offers or pending contracts for sale.

However, it is the intent of Charleston County to offer the property for sale to the public. We do not know LRA's intentions.

Type and Definition of Value

The appraisal problem is to develop an opinion of the market value of this property. Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale with the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *buyer and seller are typically motivated;*
- *both parties are well informed or well advised, and acting in what they consider their own best interest;*
- *a reasonable time is allowed for exposure in the open market;*
- *payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale*[1]

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value

Value conclusions were developed under the following scenarios:

Valuation Scenario	Effective Date of Value
Current Market Value - Fee Simple Interest	August 15, 2025

Date of Report

The date of this report is August 25, 2025.

Assumptions and Conditions of the Appraisal

This appraisal assignment and the opinions reported herein are subject to the General Assumptions and Limiting Conditions contained in the report and the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results.

[1] *FIRREA Code of Federal Regulations, Title 12, Part 34 Subpart C - 34.42, 1990; also Interagency Appraisal and Evaluation Guidelines, Federal Register / Vol.75, No. 237, 2010*

Extraordinary Assumptions

- None

Hypothetical Conditions

- None

Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the property is identified, (2) the extent to which the property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - The property was legally identified via plat, Charleston County assessor parcel number, site visit, Google Maps, Charleston County public records and client provided information.
- Economic Characteristics - The economic property characteristics were identified via information provided by the property owner, City of Charleston zoning information, CoStar market studies.
- Physical Characteristics - The physical property characteristics were identified via physical inspection of the subject site along with an examination of Charleston County Government Tax Map(s), Charleston County public record(s) of ownership over the past three years, applicable flood map(s) published by the Federal Emergency Management Agency (FEMA), site plans..

Extent to Which the Property Was Inspected

A general property inspection for real estate appraisal purposes was completed on August 15, 2025.

Type and Extent of Data Researched

The following data was researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions. Professionals familiar with the market/property type were also interviewed.

Type and Extent of Analysis Applied (Valuation Methodology)

Surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations were observed in the process of concluding a highest and best use. The property was then valued based on the highest and best use conclusion.

There are four primary methods available to develop a land value estimate: (1) sales comparison, (2) land residual method, (3) ground rent capitalization, and (4) subdivision development method (discounted cash flow). While other methods, such as extraction and allocation, are applicable under limited conditions, one or more of these approaches are used in most circumstances to derive an indication of land value.

- Sales Comparison Approach - In the sales comparison approach, value is indicated by recent sales and/or listings of comparable properties in the market, with the appraiser analyzing the impact of material differences in both economic and physical elements between this property and the comparable sales.

- Direct Capitalization: Land Residual Method - The land residual methodology involves estimating the residual net income to the land by deducting from total potential income the portion attributable to the improvements, assuming development of the site at its highest and best use. The residual income is capitalized at an appropriate rate, resulting in an indication of land value.
- Direct Capitalization: Ground Rent Capitalization – A market derived capitalization rate is applied to the net income resulting from a ground lease. This can represent the leased fee or fee simple interest, depending on whether the income potential is reflective of a lease in place or market rental rates.
- Yield Capitalization: Subdivision Development Method – Also known as discounted cash flow analysis (DCF), the methodology is most appropriate for land having multiple lot development in the near term as the highest and best use. The current site value is represented by discounting the anticipated cash flow to a present value, taking into consideration all necessary costs of development, maintenance, administration, and sales throughout the absorption period.

All these approaches to value were considered. The availability of data and applicability of each approach to value within the context of the property characteristics, along with the needs and requirements of the client, were assessed. Based on this assessment, the sales comparison approach was developed.

Appraisal Conformity and Report Type

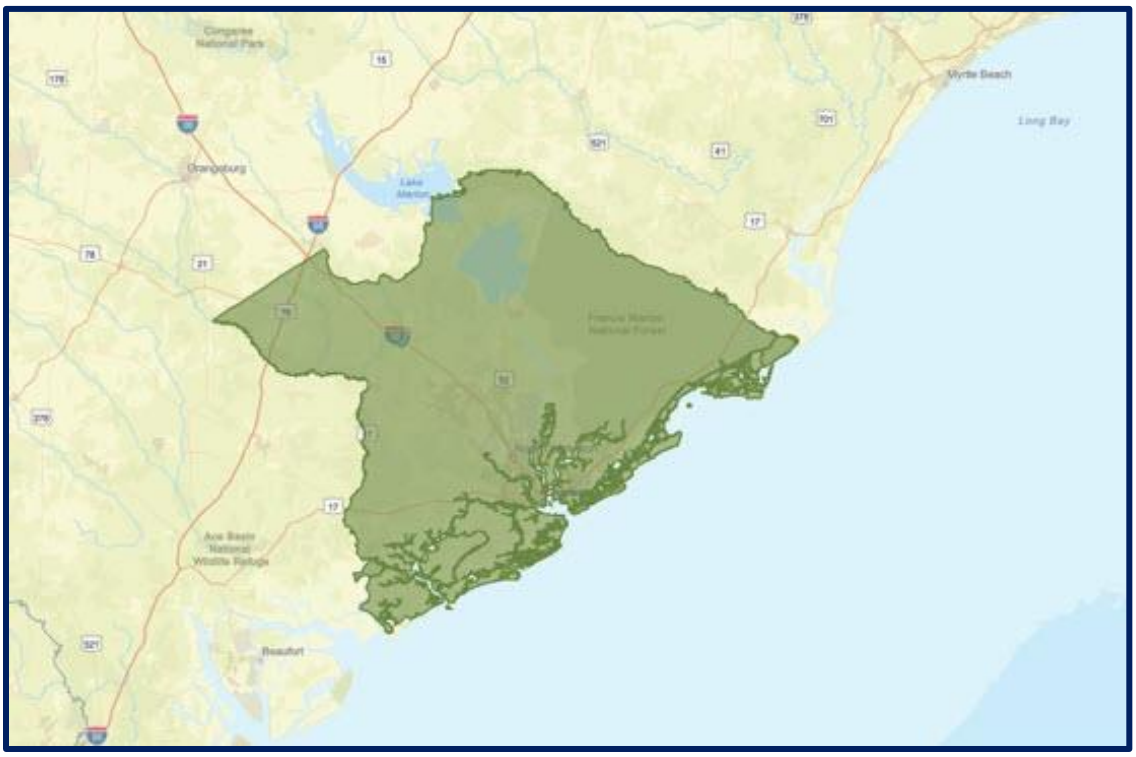
The analyses, opinions, and conclusions were developed and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the requirements of our client. This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Personal Property/FF&E

All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

Regional and Market Area Analysis

REGIONAL MAP



Overview

This property is in the city of Charleston, in Charleston County. It is part of the Charleston-North Charleston metropolitan statistical area (MSA), which is also known as the Trident Region. The original MSA consisted of the City of Charleston, but has since grown to the north, south, and west encompassing Charleston, Berkeley, and Dorchester Counties. It is the third largest metro area in the state and the 74th largest MSA in the US with a 2024 population of 869,940. The MSA is 100 miles southeast of Columbia (the Capital City), South Carolina; 85 miles south of Myrtle Beach, South Carolina; and about 100 miles north of Savannah, Georgia. There are two major highways, US 17 and US 52, that travel north-south and east-west respectively. The MSA is bisected by Interstate 26, which originates in Charleston and extends to the west through the State, and the western border of the MSA is Interstate 95 which bisects the eastern portion of the State running north and south from North Carolina and Georgia.

Charleston is the largest city in the U.S. state of South Carolina, the county seat of Charleston County, and the principal city in the. It is a peninsula that is approximately 5 square miles at the confluence of the Ashley, Cooper and Wando Rivers. The intersection of these three bodies of water form Charleston Harbor, one of the busiest seaports on the East Coast. Charleston is the heart of the "lowcountry."

Charleston was founded in 1670 as Charles Town, honoring King Charles II, at Albemarle Point on the west bank of the Ashley River (now Charles Towne Landing) but was relocated in 1680 to its present

site and within 10 years, it was the fifth-largest city in North America. Charleston adopted its present spelling with its incorporation as a city in 1783. Population growth in the interior of South Carolina influenced the relocation of the state government to Columbia in 1788, but Charleston remained among the ten largest cities in the United States through the 1840 census.

Tourism

Tourism is one of the largest industries in the MSA, with an annual economic impact of $14.03 billion and employing over 51,000 people in 2024. Charleston promotes itself as "America's Most Historic City" and attracts tourists who appreciate the historic architecture and character of the downtown area. The College of Charleston's Office of Tourism's study in 2024 revealed that Charleston welcomed 7.89 million visitors exceeding pre pandemic numbers. The same study showed that these visitors generated about $2.8 billion in labor earnings and spent an average of $1,105 per visitor per trip while generating $1.5 billion in lodging sales. Just under 32% of Charleston County sales can be attributed to tourism. According to the study, the 2024 tourism industry opened about 1,200 job opportunities.

The US Transportation Safety Authority at Charleston International Airport (TSA) announced record numbers of travelers through the airport with a record 6,290,000 in 2024. Colliers International produced a study that shows daily room sales at 70.6%.

Travel and hospitality brands still face an uncertain marketplace. The slow return of business travel and fewer meetings and events continue to have a significant negative impact on the industry. The growth of leisure travel by car represents a shift in the industry and the hospitality industry will have to evolve to meet those needs. Charleston benefits from its strategic position as a destination for leisure travel. The characteristics that make the Charleston area such a preferred visitor destination add to the lifestyle that stimulates a more comprehensive economic growth. A flourishing visitor market aids in maintaining a world class variety of retail, restaurants, and entertainment as well as amenities rarely found in a mid-size city. Local businesses benefit from the limitless choices of clients and employees.

Port of Charleston

According to a study by the University of South Carolina's Darla Moore School of Business, the Port of Charleston is ranked first among the top 10 U.S. ports in container volume growth over the past decade. Cargo includes a wide array of containerized, breakbulk, and rolling stock.

In 2023, South Carolina State Ports Authority (SC SPA) port facilities in Charleston, Dillon, Georgetown, and Greer delivered $86.7 billion in annual statewide economic impact, $1.5 billion in annual State tax revenue and supports 260,020 (1 in 9) jobs across the state of South Carolina. Top commodities moved through Charleston port facilities include agricultural products, consumer goods, machinery, metals, vehicles, chemicals, and clay products. Likewise, in the Lowcountry, the Port has an impact of $10.7 billion with a labor income of $2.2 billion and supports 32,214.

In fiscal year 2023, it handled 2.6 million twenty-foot equivalent container units (TEUs) at Wando Welch Terminal, North Charleston Terminal, and Hugh K. Leatherman Terminal and 1.4 million pier containers.

In June, SC Ports handled 203,091 TEUs and 112,883 pier containers, up more than 3% year-over-year. Retail, advanced manufacturing, automotive and cold storage sectors continue to drive growth at the Port of Charleston.

In 2022, large port related improvements by SC SPA included achieving full utilization of Phase 1 of the Hugh K. Leatherman Terminal, the newest container terminal in Charleston country-in ten years and adding 700,000 TEU of capacity to the Port of Charleston. In addition, the Port deployed 15 ship-to-shore cranes with 155 feet of lift height at Wando Welch Terminal.

Following the Army Corps of Engineers completion of the Charleston Harbor Deepening Project (shipping channel depth to 52') in 2022, the SC SPA initiated construction on the rail-served Intermodal Facility on the former Navy Base and a related inner-harbor barge project.

The U.S. continues to see record import volumes as consumers spent more on retail goods than services during the pandemic. SC SPA handled 114,671 import containers 2021. Shippers and retailers can rely on SC SPA's efficient operations, cargo capacity and berth availability to keep goods moving through the Southeast supply chain. The global supply chain continues to recover from disruptions due to the pandemic. The slowdown in cargo velocity that we are currently experiencing due to SC SPA supply chain constraints is concerning.

US Coast Guard

The Charleston Coast Guard Sector is in the southernmost part of the city that surrounds the waterfront area. This location ideally positions the Sector for its seagoing missions and for a variety of shore-based activities. The Charleston Sector oversees and manages three cutters, three Aids to Navigation (ATON) teams, and four small boat stations (located in Georgetown, Charleston, Tybee Island, GA, and Brunswick, GA). The Sector includes approximately 1,301 permanent active-duty personnel as well as 322 reserve officers and civilian employees. This translates to approximately 1,623 full-time equivalent (FTE) jobs.

The US Coast Guard (USCG) announced a master plan in February 2020 to invest heavily in Charleston by 2025 as an operational center with the potential to grow into the largest concentration of USCG assets and personnel. Charleston is currently home to a large concentration of USCG assets and personnel and, as the Port of Charleston became the deepest harbor on the East Coast in 2022, the maritime importance of the region for the US is magnified. The new Coast Guard base will likely consolidate elements of Coast Guard Sector Charleston, Coast Guard Station Charleston, and the Coast Guard Maritime Law Enforcement Academy. The Coast Guard intends to execute phased construction necessary over the next 10+ fiscal years to fully build out Base Charleston to support 10+ major cutters by 2030.

The total economic impact of the Coast Guard on South Carolina, including all operations, in-state procurement, and military and civilian payroll employment totals $261.6 million annually. This impact is associated with approximately 2,326 jobs and $114.9 million in labor income.

Joint Base Charleston

The Charleston Region contains the largest military presence in South Carolina with an annual economic impact of approximately $12.7 billion supported by 78,414 jobs. This includes Joint Base Charleston, the U.S. Coast Guard Sector Charleston, the Army Corps of Engineers, DoD contractors, military retirees and Veterans, portions of the South Carolina National Guard and the U.S. Army Reserve. As a result of recommendations from the 2005 Base Realignment and Closure study,

Charleston AFB and NWS Charleston were merged as Joint Base Charleston, effective October 1, 2010, one of twelve Joint Bases formed. Joint Base specializes as a logistics, transportation, training, and engineering hub.

Joint Base Charleston is comprised of over 23,000 non-contiguous acres and includes 22 miles of coastal shoreline and 34 miles of active rail. The base share runways with the Charleston International Airport and Boeing South Carolina. There are more than 1,800 facilities, 1,600 on base homes, childcare facilities, and a large medical clinic on both the Weapons Station and Air Base.

The total economic impact of Joint Base Charleston on South Carolina, including all operations, in-state procurement, and military and civilian payroll employment, totals $10.9 billion annually. This impact is associated with approximately 62,905 jobs and $4.5 billion in labor income.

Healthcare

The medical industry employs over 34,000 people among the MSA's nine hospitals and related support industry and has over 2,000 physicians. The Medical University of South Carolina (MUSC), Roper St. Francis Healthcare, Tenet Health Care and Trident Health System make up the second largest industry in the MSA and continue to draw national and international attention as world-class research and development institutions. The economic impact of the medical community is estimated at more than $5.6 billion.

MUSC is a leading research and teaching hospital which educates and trains more than 3,000 students and 850 residents a year. In 2021, for the seventh year in a row, US News & World Report named MUSC Health the No. 1 hospital in South Carolina. The University managed over $327.6 million in biomedical research funding in 2021 and has supported over 800 inventors and produced 1,500 inventions disclosures. MUSC focuses on a wide variety of areas which include cancer, community health, drug discovery, health disparities, inflammation and fibrosis, neuroscience, oral health, and stroke and spinal cord injury.

In the fall of 2022, Roper Saint Francis Healthcare announced it was moving its downtown hospital to a new centrally located medical campus in North Charleston with the plan for the facility to be fully operational by 2029. The hospital broke ground on the new facility in June of 2025. The new campus will occupy 27 acres near Interstates 26 and 526 and will allow better accessibility to patients living in Berkeley and Dorchester Counties as well as Charleston. The $1 billion project with be one of the largest and most advanced healthcare construction projects on the East coast will meet the healthcare needs of one of the fastest growing regions in the country. The ongoing project will employ 3,600 workers and a post economic impact of $2.5 billion annually to the region.

Population

Trends in population are a significant indicator of a structural change within a region's economy. The rate of increase or decrease of an area's population has a direct effect on real estate values. Typically, population growth benefits businesses, creates jobs, and enhances all aspects of the local tax base. Since the supply of land is fixed, an increase in the population base will be reflected in higher demand for real estate. Naturally, this pattern of demand will be translated into value to the whole spectrum of property types.

Population characteristics relative to the MSA are presented in the following table.

Population

Area	Census Population (2020)	Current Population (2023)	Compound Annual Δ 2020 - 2023	Projected Population (2028)	Compound Annual Δ 2023 - 2028
United States	331,449,520	335,707,897	0.43%	343,238,675	0.44%
South Carolina	5,118,425	5,394,539	1.77%	5,702,418	1.12%
Charleston-North Charleston, SC (MSA)	799,636	859,469	2.43%	927,629	1.54%
Charleston County	408,235	433,062	1.99%	451,405	0.83%
Charleston Central CCD	33,645	38,984	5.03%	42,248	1.62%
Charleston city	150,599	163,302	2.74%	173,025	1.16%

Source: ESRI (ArcGIS)

As can be seen, total population for the state and municipality are projected to change annually at a rate of **0.86%** and **1.20%** per year respectively between 2023 and 2028. This should have a positive impact on the area.

Transportation

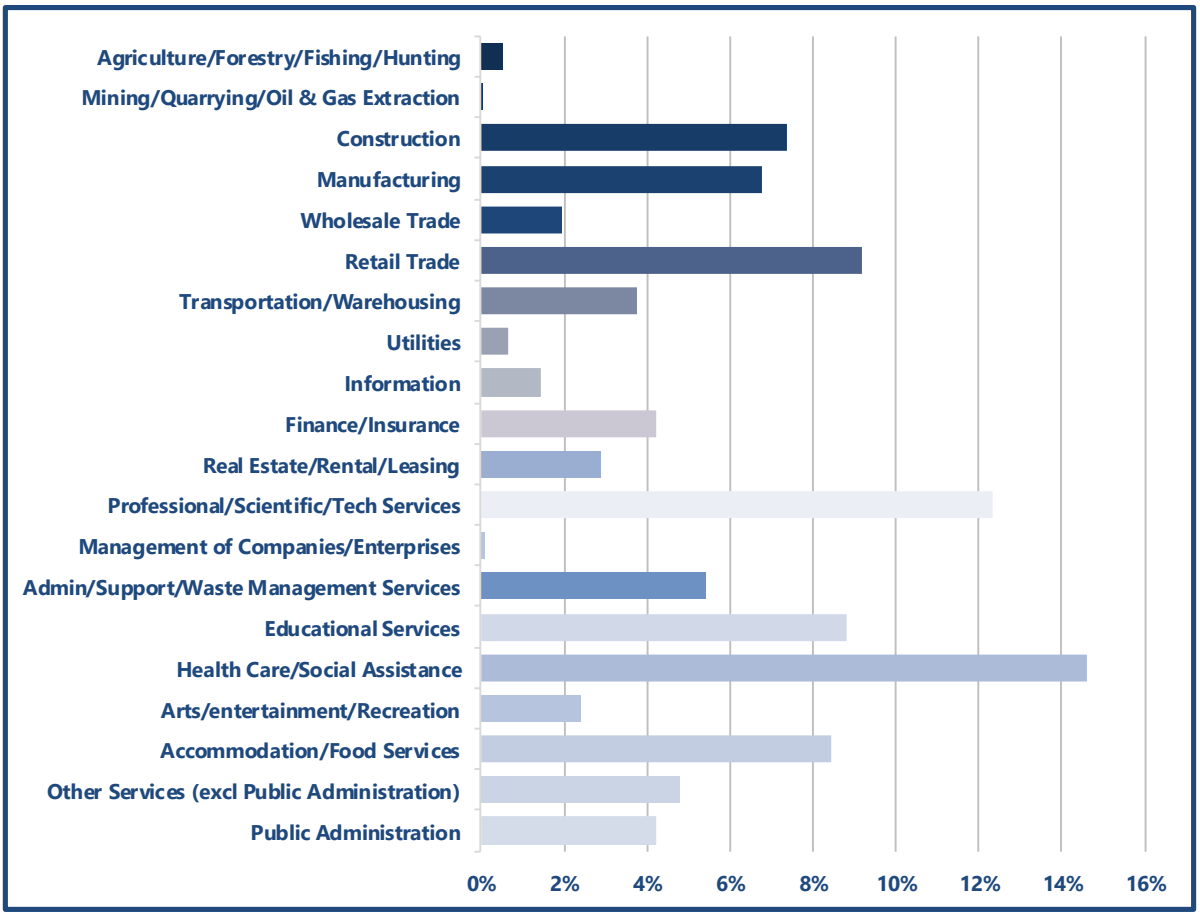
Major transportation routes in the MSA include Interstate 95 and Interstate 26 as well as US Highway 17 and US Highway 52/78.

With extensive renovations completed Charleston International Airport which is South Carolina's largest and busiest airport continues to set new records with more than 6 million travelers per year. In July of 2025, new ground was broken for the West Gate Expansion Concourse. This project will add four new gates at a cost of $105 million. This new concourse will include 40,000 SF of passenger space, 4,000 SF for dining, retail and amenities and 23,000 SF of operations space with the capabilities of international arrivals connected directly to the current federal inspection facility. The West Gate will be operational by November 2026. In addition, the project includes a new parking garage and car rental facility with a construction budget of $348 million. The airport is in North Charleston approximately 12 miles northwest of downtown Charleston, making it a central hub for the tri-county area.

For passenger rail, Amtrak has daily trains leaving and arriving at North Charleston. The Charleston Area Regional Transportation Authority (CARTA) connects Charleston-area transit riders to work, school, healthcare, tourist attractions and the airport.

Employment

Distribution of employment by sector reflects the area's economic character. Employment by industry for the MSA is as follows, based on information provided by Site-to-Do-Business 2023 statistics:



Employment by Industry for Charleston County - Source: ESRI (ArcGIS)

Traditionally, health care, retail trade, professional/scientific/tech services and manufacturing have been the dominant industries accounting for 44% of all employment in the MSA. The largest employers in the MSA are Roper St. Francis Healthcare with 6,000 employees and the Medical University of South Carolina with 14,000 employees and the largest manufacturer in the MSA is The Boeing Company with 5,700+ employees and specializes in aircraft manufacturing.

Industry

Charleston is known as a hub for automotive component manufacturing, vehicle assembly, and remanufacture/maintenance parts, and is home to more than 65 automotive manufacturers and suppliers including factories for Bosch, Mercedes-Benz, and Volvo providing more than 6,500 jobs. The SC SPA provides these manufacturers a convenient conduit to import and export products, providing global access to over 150 countries.

Bosch, an automotive parts manufacturer, is investing $260 million in its mobility-related production in Dorchester County. Adding 75,000 SF to its current facility and an additional 350 jobs, the expansion project will be finished by 2025.

Charleston raw materials manufacturers Nucor Steel-Berkeley (steel) and KapStone Charleston Kraft (paper and packaging), LLC, collectively provide over 2,000 jobs in the MSA. Additionally, vehicle manufacturers Volvo Cars of North America and Mercedes-Benz Vans/Daimler have promised facility developments of $500 million that are expected to be completed in mid-2025.

Leonardo DRS, through its subsidiary DRS Naval Power Systems is opening a $120 million facility in Berkeley County. The company is expected to create 58 new jobs.

The company will build a 140,000-square-foot manufacturing and test center at 1588 Bushy Park Road in Goose Creek.

Elbit Systems of America, LLC, a leading provider of high-performance products and system solutions that focus on defense, homeland security, commercial aviation and medical instrumentation broke ground on a 135,000 SF manufacturing facility in North Charleston in April of 2022. This will add 300 jobs to the community and have an economic impact of $280 million to the region.

Operating out of two locations on Palmetto Commerce Parkway in North Charleston, Cummins Turbo Technologies expansion will allow the company the flexibility to optimize its network between remanufactured and new turbocharger products; leverage manufacturing capabilities and capital in one geographic location; and improve cost competitiveness of both remanufactured and new turbos. The new $27 million manufacturing facility opened in October of 2022 and added 250 new jobs.

SHL Medical Ltd., a manufacturer of plastic components of disposable auto-injectors used in the medical and healthcare field, has plans to invest $90 million in its new facility on Palmetto Commerce Parkway. It will open mid-2024 and add 166 jobs.

Redwood Materials (producer and recycler of anode and cathode battery components for electric vehicles) will build a facility that spans 600 acres and costs $3.5 billion. The plant will be located in Ridgeville, SC and will employ 1,500. Located at the Camp Hall Commerce Park, Redwood broke ground in January.

The company said it will begin hiring in 2024 with a focus on roles primarily involved in site buildout, but expects its operational hiring ramp up to begin in 2025.

The Boeing campus in North Charleston currently builds all three versions of the Boeing 787 Dreamliner including the 787-10, the newest and longest in the family. The North Charleston campus has since expanded with the opening of the Boeing Research & Technology Center, which focuses on advanced manufacturing technology and composite fuselage manufacturing; and Propulsion South Carolina, for the design and assembly of the 737 MAX engine nacelle inlet. The Propulsion South Carolina team also designs the 737 MAX engine nacelle fan cowl and the 777X nacelle. In addition, Boeing has a 141-acre campus 10 miles north of the main campus where they manufacture 787 interior parts, including stow bins, closets, partitions, class dividers, floor-mounted stow bins used by flight attendants, overhead flight-crew rests, overhead flight attendant crew rests, video-control stations and attendant modules for 787s assembled in South Carolina.

Technical Industry

The information technology and software sector has contributed significantly to local job growth. Charleston is currently home to more than 700+ tech companies. A recent study by the South Carolina Tech Council concluded that the Charleston-North Charleston MSA has an annual tech employment of 15.5 percent.

The Charleston Digital Corridor is a community-sourced initiative that attracts and promotes the region's tech economy with programs, products, and events. Leveraging the region's livability the Charleston Digital corridor uses community, talent, spaces, and capital to attract technology-based companies and assist with integrating them into the community. According to the Brookings Institution, the Charleston area has had a 29% increase in job growth in the last decade and a 45.7% increase in the Gross Metropolitan Product and is currently ranked at # 4 in overall growth in MSA's.

The 8th largest employer is Blackbaud, a software development company which provides nonprofit IT services for charities, corporate social responsibilities, and education communities. In 2019, Blackbaud completed construction of a $154 million-dollar, 360,000 square foot corporate headquarters building on Daniel Island and added an additional 300 employees. The software company has approximately 40,000 customers in 60 countries, including the UK, Australia, Canada and Ireland.

In March of 2024, Tech Giant Google announced the building of a $510 million and 231 acre data campus in Dorchester County at the Pine Hill Business Campus west of Summerville. This is the company's second location in the Charleston region.

Gnosis Freight (a supply chain and logistics software company) is investing $438,500 in a project that will complete 51 new jobs. The company doubled its existing facility in the Charleston Tech Center, the 7,000 SF office space offers additional room for the company to grow its data science, a software engineering and commercial teams.

Unemployment

The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the Region boasts one of the lowest unemployment rates for metropolitan statistical areas in the country at 2.5 percent.

Unemployment Rates

Area	YE 2018	YE 2019	YE 2020	YE 2021	YE 2022	2023[1]
United States	3.9%	3.7%	8.1%	5.3%	3.6%	3.6%
South Carolina	3.4%	2.8%	6.0%	3.9%	3.2%	3.0%
Charleston-North Charleston, SC (MSA)	2.8%	2.3%	5.8%	3.5%	2.8%	2.5%
Charleston County, SC	2.7%	2.2%	6.1%	3.5%	2.7%	2.5%
Charleston city, SC	2.5%	2.1%	5.8%	3.2%	2.6%	2.5%

Source: www.bls.gov *data not seasonally adjusted; [1]Annual - most recent for US, others lag by 1-2 mos.)*

Median Household Income

Total median household income for the region is presented in the following table. Overall, the MSA and county compare favorably to the state and the country.

Income

Area	2023 Median HH Income	2023 Average HH Income	2023 Per Capita Income
United States	$72,233	$104,831	$41,000
South Carolina	$71,689	$99,477	$41,165
Charleston-North Charleston, SC (MSA)	$88,738	$122,944	$51,202
Charleston County	$93,923	$135,799	$60,238
Charleston Central CCD	$78,305	$130,707	$60,392
Charleston city	$100,372	$139,299	$65,490

Source: ESRI (ArcGIS)

Conclusions

Positive economic growth has been achieved because of Charleston's dedication to economic development. The region is a popular tourist destination and a great draw for future business investment due to its natural beauty, world-class culture, and historic charm. Charleston provides the ideal advantages for company success with a rapidly expanding population, a technically skilled workforce, effective access to the global marketplace, and a varied portfolio of real estate possibilities.

The MSA continues to enjoy unheard-of economic expansion, with both large firms and start-ups profiting from the competitive global business environment. Over 150 firms in the Charleston region are owned by parent companies outside the U.S. These firms represent 30 countries and locally employ approximately 19,900 people. Charleston was recently ranked 9th among top U.S. metros for high FDI intensity, with foreign-owned firms offering 7.2% of jobs, compared to 5% for the U.S. by the Brookings Global Cities Initiative Report. The MSA's market is expected to grow at rates that are almost twice as fast as those in the state's and the nation's in the next few years.

City and Neighborhood Analysis

NEIGHBORHOOD MAP

Overview

Charleston is the county seat of Charleston County, and the principal city in the Charleston–North Charleston Metropolitan Statistical Area. The original Peninsula city lies just south of the geographical midpoint of South Carolina's coastline and is on Charleston Harbor, an inlet of the Atlantic Ocean formed by the confluence of the Ashley, Cooper, and Wando rivers. Charlston has an estimated population of 157,665 in July 2024, a 4.7% growth over the 2020 census

Known for its rich history, well-preserved architecture, distinguished restaurants, and hospitable people, Charleston is a popular tourist destination. The region is iconic for beautifully preserved period architecture, gardens, award-winning food, golf, upscale retail, and miles of pristine beaches. These are many of the reasons why Charleston repeatedly appears on “World’s Best” lists in Southern Living, Travel and Leisure, and Condé Nast Traveler.

Charleston was the first American city to be laid out with broad and straight streets in contrast to the narrow, twisting, cramped streets of Europe. In 1680 the rest of the settlement was brought to the Peninsula, and within a few years the population had grown to more than 1,000 people and the foundation of the historically rich city we have today was set into place. After 300 years of diverse history, Charleston is one of America’s most recognized, pristinely preserved architectural treasures.

Tourism and Attractions

Charleston's tourism industry set a record for economic impact in 2024 with $14.03 billion a 7.1% over 2023 and 8 million visitors. The Charleston International Airport had a record breaking 6.295 million travelers in 2024.

The City Market, which extends from East Bay Street four blocks west to Meeting Street, has been a vibrant part of the City of Charleston since the middle of the 19th century. This is the heart of tourist shopping; and rental rates along Market Street are among the highest found on the Peninsula City.

The Waterfront Development District is a 10-acre site that runs along the Cooper River from south of the Lowe V Hotel development under construction on the former site of the South Carolina State Ports Authority Headquarters, to North Adgers Wharf. Waterfront Park itself encompasses 8 acres of beautifully maintained gardens, lawn, pathways, a pier, and two distinctive fountains for visitors to enjoy.

The $60 million South Carolina Aquarium is on the Cooper River at the east end of Calhoun Street. Since its opening, the facility has attracted more than 500,00 visitors per year. It is home to over 10,000 plant and animal species. The aquarium also contains the state-of-the-art Sea Turtle Care Center which receives injured sea turtles and rehabilitates them to be returned to their habitats. The Turtle Care Center offers a variety of educational and research services.

Notable Projects

The City's Department of Downtown Revitalization has been in existence for well over a decade and has been spearheading the revitalization of the city's Central Business District. The following is a brief description of some important past, current, and pending developments on the peninsula of Charleston:

The Ashley River Crossing, is an innovative, multi-modal transportation initiative to enhance the connectivity between Downtown Charleston and West Ashley broke ground for construction in January of 2025. The focal point of the project is a 0.4-mile stand-alone bicycle and pedestrian bridge connecting the West Ashley Greenway to Brittlebank Park and the Ashley Riverwalk. The project was awarded the full requested amount of $18.1 million from a federal grant program and will be completed in two phases. Phase 1 will enhance connectivity with improvements to the West Ashley Greenway/ Bikeway and the Peninsula City at key intersections: Wappoo Road / West Ashley Greenway; Folly Road / Wesley Drive / Windermere Drive; and Bee Street / Lockwood Drive. Phase 2 is construction of the bicycle and pedestrian bridge.

The Hotel Bennett, which opened in January 2019, features 179 guest rooms spanning 8 floors. The hotel boasts a two-tiered restaurant with an extensive outdoor terrace, two bars, a rooftop pool and bar, a spa, a patisserie, and more than 12,000 square feet of event and meeting spaces. This European-style luxury lodging near Marion Square is managed by Salamander Hotels and Resorts. The development cost of this facility was over $100,000,000.

NOMO

The North Morrison or NoMo district may be one of the most recently named neighborhoods in the city, but it has historic roots and today is an area on the leading edge of development. It is situated on the east side of Charleston Peninsula, bounded on the south by Huger Street, north by Greenleaf Street, west by Meeting Street, and east by the Cooper River and railroad lines that lead to the Port of Charleston. The neighborhood has been transformed and is now a tech sector and brewery hub with eclectic residences and trendy restaurants.

NoMo was formerly an industrial area, and despite its waterfront location and potential, it was largely forgotten with most factories closed and abandoned and land left vacant. Today, both upper Meeting Street and NoMo are experiencing a surge in development and popularity with many restaurants, pubs, and breweries locating in the former industrial buildings including: Edmunds Oast, Fatty's Beer Works, Munkle, the Royal American, Lewis's BBQ, and Hometeam BBQ. The region offers some of the only large parcels of undeveloped land remaining on the peninsula.

Morrison Yard is a recently completed large mixed use 380 unit multi-family community and professional office that is a $100.6 million dollar investment in a former industrial zone. Construction started in 2020 and plans included 25,960 SF of ground floor commercial space, a 10-story multi-family building and a six-story professional office building, a two level parking garage green space, clubhouse, fitness center, business center, and event space.

In February 2025 the Magnolia Project broke ground in the neck of the Charleston Peninsula. The development includes approximately 182 acres, comprised of 134 acres of highlands and 48 acres of marsh. The site has been approved for 4,080 housing units, 1.05 million SF of office space, 200,000 SF of retail space, and 1,040 hotel rooms. Magnolia will add up to 10,000 residents to Charleston with at least 15% of housing set aside as workforce units. The nearly $3 billion Magnolia Landing site has been divided into 3 phases and will be built out over 15 years.

The Morrison Drive area of Charleston is characterized by commercial properties. It is part of the Laurel Island PUD Mixed Uses and is also zoned as a Tech Corridor.

Neighborhood Location and Boundaries

The Charleston Peninsula is centrally located in the Charleston/North Charleston MSA. The City of North Charleston lies to the north, Mount Pleasant to the east, James Island and Folly Beach to the south, and West Ashley to the west. The Peninsula is bordered by two rivers. The Ashley River flows along the western bank and the Cooper River flows along the eastern bank, after its confluence with the Wando River. These two rivers converge at the southern tip of the peninsula, forming the Charleston Harbor.

Transportation Access

Access to the Charleston Peninsula is attained via multiple routes connecting the Downtown Charleston area with all areas of the Charleston/North Charleston MSA. Interstate 26 begins in Peninsula Charleston and links Summerville and North Charleston with the peninsula. Highway 17 spans peninsula Charleston from east to west, linking Mount Pleasant and West Ashley.

The Arthur Ravenel Jr. Bridge is an eight-lane cable stayed structure that connects Mount Pleasant to Peninsula Charleston. The Ashley River Memorial Bridge, one of four drawbridges in South Carolina, connects Peninsula Charleston with the area west of the Ashley River. It is a double draw bridge with north south roadways.

Within the immediate area of the subject property, transportation access helps define the character of its development. Major travel and commuter routes within the area of the subject property include US Highway 17 and Morrison Drive. Access to the area is good.

Road Improvements

The City of Charleston has been converting former one-way streets to two-way streets to increase safety for all modes of travel, prioritize the people who live and work on the streets, make the city more accessible, and slow down traffic

Neighborhood Land Use

The Charleston Peninsula is a mix of commercial, office, residential, and industrial areas. Most of the peninsula below the "neck" is commercial offices, retail, and residential neighborhoods with medium and low-density housing. In the "neck" and NOMO district, there is a concentration of high-density housing, commercial and light industrial businesses. There are several recreational activities located on the peninsula including parks, marinas, museums and the SC Aquarium. The hospital district comprised of three major hospitals is on the west side of the peninsula and there are two college campuses, the College of Charleston which is located between Coming Street and King Street south of Calhoun and The Citadel located west of Hampton Park along the Ashley River.

An approximate breakdown of the development in the area is as follows:

LAND USES

Developed	90%
Residential	*55%*
Retail	*20%*
Office	*20%*
Industrial	*5%*
Vacant	10%
Total	**100%**

Land Use Trends

The neighborhood is experiencing a change in land use from industrial and undeveloped to Mixed Use Development.

Demographics

The following table depicts the area demographics in Charleston within a one-, three-, and five-mile radius.

Neighborhood Demographics

Radius (Miles)	1 Mile	3 Mile	5 Mile
Trade Area (Sq. Mi.)	3.14	28.27	78.54
Trade Density (Pop/Sq. Mi.)	4,871	1,779	1,730
Population			
Census Population (2010)	10,155	44,628	121,745
Census Population (2020)	11,149	44,539	128,419
Current Population (2023)	15,291	50,290	135,833
Projected Population (2028)	17,435	53,957	143,022
Compound Annual Growth			
2010 - 2020	0.9%	0.0%	0.5%
2020 - 2023	11.1%	4.1%	1.9%
2023 - 2028	2.7%	1.4%	1.0%
Households			
Census Households (2010)	4,427	18,344	51,074
Census Households (2020)	5,254	19,910	56,652
Current Households (2023)	7,291	23,516	62,850
Projected Households (2028)	8,532	25,993	67,989
Compound Annual Growth			
2010 - 2020	1.7%	0.8%	1.0%
2020 - 2023	11.5%	5.7%	3.5%
2023 - 2028	3.2%	2.0%	1.6%
Average Household Size (2023)	2.08	1.97	2.07

Source: ESRI (ArcGIS) *(Lat: 32.807466, Lon: -79.942735)*

Neighborhood Demographics (cont.)

Radius (Miles)	1 Mile	3 Mile	5 Mile
Trade Area (Sq. Mi.)	3.14	28.27	78.54
Trade Density (Pop/Sq. Mi.)	4,871	1,779	1,730
2023 Housing Units			
Median Home Value	$743,045	$833,531	$689,684
Median Year Built	1962	1960	1976
Total Housing Units	8,969	29,327	72,831
Owner-Occupied Housing %	24.7%	35.6%	45.4%
Renter-Occupied Housing %	56.6%	44.6%	40.9%
Vacant Housing %	18.7%	19.8%	13.7%
2023 Employment			
Total Establishments	717	4,824	10,292
Total Employees	8,258	76,631	130,212
Average Commute Time	n/a	n/a	n/a
% College Graduates	53.0%	63.0%	58.5%
2023 Income Summary			
Median Household Income	$68,897	$85,663	$91,010
Average Household Income	$109,928	$133,730	$138,547
Avg Spending/Household	$30,807	$36,827	$38,182
Per Capita Income	$51,254	$62,442	$64,212

Source: ESRI (ArcGIS) *(Lat: 32.807466, Lon: -79.942735)*

Within a three-mile radius, the reported population is 50,290 with a projected growth rate of approximately 1.4% annually. There are 29,327 housing units within that three-mile radius. Most of the housing is tenant-occupied. Our research indicates that property values in the area are stable.

Nuisances & External Obsolescence

Neighborhood properties have adequate levels of maintenance. No adverse or unfavorable factors were observed.

Neighborhood Life Cycle

Neighborhood life cycles generally occur in order of the following four stages: (1) growth, (2) stability, (3) decline, or (4) revitalization. This neighborhood is best classified as being in the growth stage of its life cycle.

Immediate Area Uses

The below aerial photo exhibits the uses located in the vicinity.

IMMEDIATE AREA USES

Source: Google Maps

Uses along Morrison Drive are primarily mixed use commercial, office and residential. Recognized uses in the immediate area of the subject include Red Palm Tavern, Revelry Brewing, Royal America, Lee & Associates, Home Team BBQ office Charleston Tech Center Garage, Charleston Tech Center and other community business. As shown above, the density of uses in the area is sporadic with some vacant land remaining available in the area.

Analysis and Conclusions

The Charleston Peninsula stands at a pivotal juncture, blending robust economic momentum with long-term resilience planning. Anchored by tourism, plus a growing tech and aerospace presence dubbed “Silicon Harbor,” and a busy port and medical sector, its economic foundations remain strong. Housing and labor markets are buoyed by constant population inflows, about 34 new residents per day as of late 2024, with job growth adding nearly 6,800 new positions in 2024 alone.

Site Description

The property characteristics are summarized as follows:

Site Characteristics

Lot B	
Gross Area:	3.17 Acres; 138,085 square feet
Usable Area:	3.17 Acres; 138,085 square feet
Lot C	
Gross Area:	0.79 Acres; 34,412 square feet
Usable Area:	0.79 Acres; 34,412 square feet
Lot D	
Gross Area:	3.26 Acres; 142,005 square feet
Usable Area:	3.26 Acres; 142,005 square feet
Total Land Area	**7.22 Acres; 314,502 square feet**
Usable Land %:	100.0%
Shape:	Non-contiguous
Average Depth:	494.00 feet
Topography:	Level
Drainage:	Appears Adequate
Grade:	At street grade
Utilities:	Public Water, Electric and Sewer
Off-Site Improvements:	Minimal - street drains, minimal landscaping, concrete sidewalks
Interior or Corner:	Through Lot
Signalized Intersection:	No:

Street Frontage / Access

Frontage Road	Primary	Secondary
Street Name:	Morrison Drive	Hanover Street
Street Type:	4 lane highway commercial road	2 lane asphalt road
Frontage (Linear Ft.):	580.00	572.80
Number of Curb Cuts:	2	2
Traffic Count (Cars/Day):	19,400	N/A

Additional Access

Alley Access:	No
Water or Port Access:	No
Rail Access:	No

Flood Zone Data

Flood Map Panel/Number:	45019C0512K
Flood Map Date:	01-29-2021
Portion in Flood Hazard Area:	100.00%
Flood Zone:	Zone A
	Zone A
	This is within the high risk areas as defined by FEMA and flood insurance is typically required in this zone. Zone A is an area with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30 year mortgage. Because detailed analyses are not performed for such areas; no depths or base flood elevations are shown within these zones.

Other Site Conditions

Soil Type:	Assumed to be adequate for commercial mixed use development
Environmental Issues:	An environmental site assessment report was not furnished for our review. An inspection of the property did not reveal any visible or factual evidence of apparent environmental impairment to the site. The appraisers are not considered experts in hazardous materials. The client is advised to obtain an environmental report if further investigation is desired. In addition, a drive-by inspection of the immediate vicinity did not reveal any uses or hazards that would be expected to pose an apparent risk to the site or would restrict its use.
Easements/Encroachments:	Those noted in the deed of record and common utility easements
Earthquake Zone:	South Carolina is home to one of the most active earthquake-producing regions in North America, a twenty-five by fifteen-mile oval known as the Middleton Place-Summerville Seismic Zone, whose center lies about twenty-two miles northeast of Charleston. The last earthquake causing significant damage was 1886. However, as recently as January 2014, seismic activity of a 2.2 magnitude was recorded. Within the last five years there have been 20 seismic events ranging in magnitude from 1.6 to 3.6. Although the potential for a destructive earthquake exists, there is no evidence that value is negatively affected.

Adjacent Land Uses

North:	Commercial
South:	Commercial/Marsh/US Highway 17
East:	Commercial/Marsh
West:	Commercial/Singleton Park

Site Ratings

Access:	Excellent
Visibility:	Excellent

Zoning Designation

Zoning Jurisdiction:	City of Charleston
Zoning Classification:	PUD and TC, Planned Development and Tech Corridor Overlay Zone
General Plan Designation:	Mixed Uses per PUD and Tech Overlay Zone
Permitted Uses:	A variety of mixed uses and determined by the PUD and the property is also zoned as a Tech Overlay Zone
Zoning Comments:	A Planned Unit Development consists of a tract or tract of land under unified control, planned and developed in a single development stage of phased series of development stages according to an approved PUD Master Plan. The PUD conditional use is intended to provide flexibility in the design of development; to encourage comprehensive planning of major developments; to permit innovation in neighborhood design that includes incorporation of open space and other amenities; and to insure compatibility of developments with surrounding areas. Tech Corridor a. Intent. The intent of the Tech Corridor "TC" overlay zone is to enable high technology and technology-related industries to anchor new development in the district. The City deems it necessary to provide additional protection to ensure these key properties are used predominately for tech office uses. Within this overlay zone, specific types of land uses are permitted only with the approval of a special exception and certain uses are specifically prohibited. b. Permitted uses. In any Tech Corridor overlay zoning district, land may be used and buildings or structures may be erected, altered or used for any purpose allowed by the underlying zoning district as listed in Article 2, Part 3, provided, however, any type of residential use and any type of retail use where the total area of a retail use, including storage and office areas associated therewith, exceeds 25,000 square feet, shall be permitted only by way of a

special exception approved by the Board of Zoning Appeals-Zoning, where the Board, after review, finds that the residential or retail uses are clearly incidental and subordinate to the primary use of the property for technology-related industry, it being the intent that residential use and large format retail use only be permitted in the district as a minor, incidental and subordinate use on properties within the Tech Corridor overlay zone. Furthermore, the TC Zoning limits residential uses to no more that 50% of the project.

The AR Overlay Zone applies to all areas of peninsula section of the city, as bounded by the Ashley River, the Cooper River and Charleston Harbor.

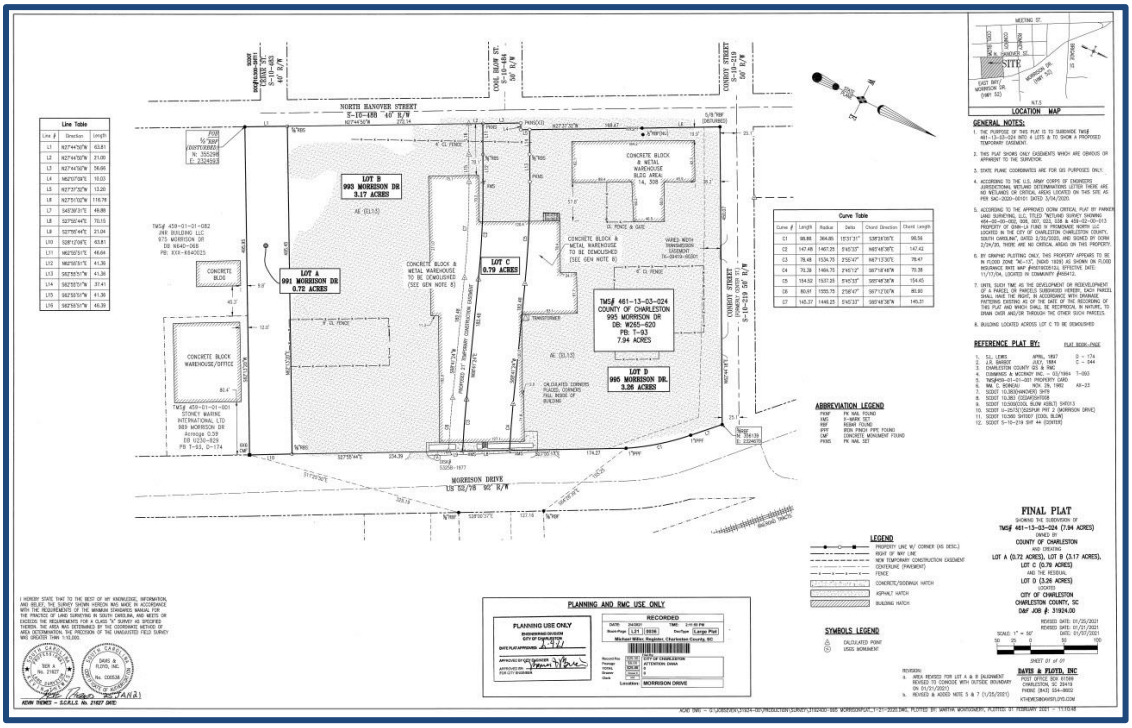
Historic under Board of Architectural Review (BAR) purview. Within the historic districts, the BAR reviews all new construction, alterations and renovations visible from the public right-of-way. The BAR reviews all demolitions of buildings 50 years of age or older on any structures south of Mount Pleasant Street, and any demolitions (regardless of age) within the Old and Historic District. In addition, the BAR has jurisdiction over all structures included on the Landmark Overlay Properties list.

Analysis/Comments on Site

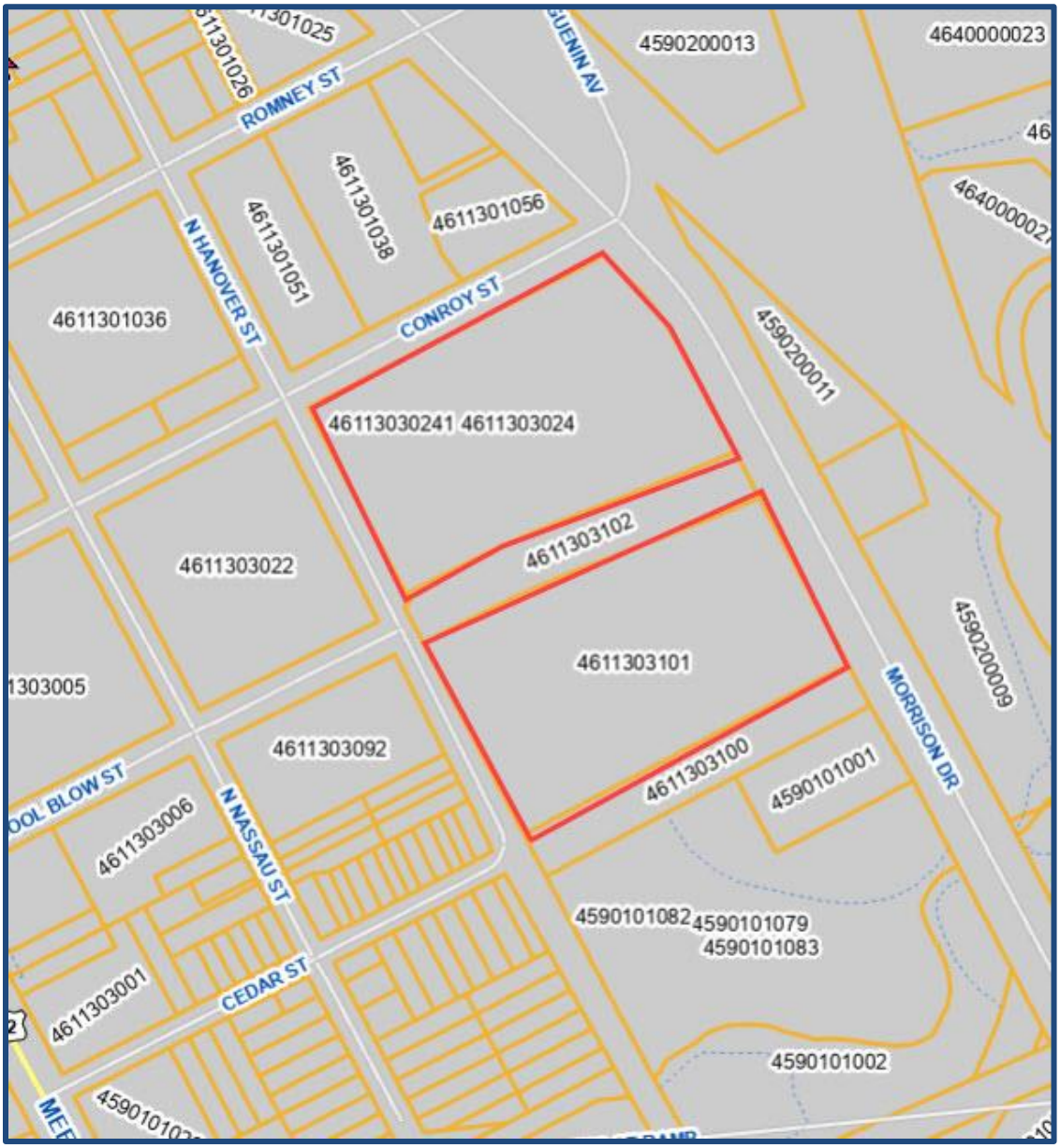
Based on these property characteristics, the site appears to be suitable for a variety of uses allowed by zoning. This property was formerly improved with light industrial buildings converted to office use at some point. There are remains of the building foundation(s) (concrete slab) are in place as well as asphalt paved parking and drainage.

Overall, there are no known factors or characteristics of the site which would prevent it from being developed for its highest and best use, if vacant, nor to the use of the site as currently improved.

SURVEY


NORTH HANOVER STREET
S-10-488 40' R/W
COOL BLOW ST.
S-10-483
50' R/W
CHERRY STREET
S-10-219
50' R/W
LOT B
995 MORRISON DR
8.17 ACRES
LOT A
991 MORRISON DR
0.72 ACRES
LOT C
0.79 ACRES
LOT D
990 MORRISON DR.
3.26 ACRES
TMS# 461-13-03-024
COUNTY OF CHARLESTON
995 MORRISON DR
DB W265-420
PB: T-93
7.94 ACRES
MORRISON DRIVE
US 52/17B 90' R/W
LOCATION MAP
GENERAL NOTES:
REFERENCE PLAT BY:
ABBREVIATION LEGEND
SYMBOLS LEGEND
LEGEND
PLANNING AND RMC USE ONLY
FINAL PLAT
DAVIS & FLOYD, INC

TAX PLAT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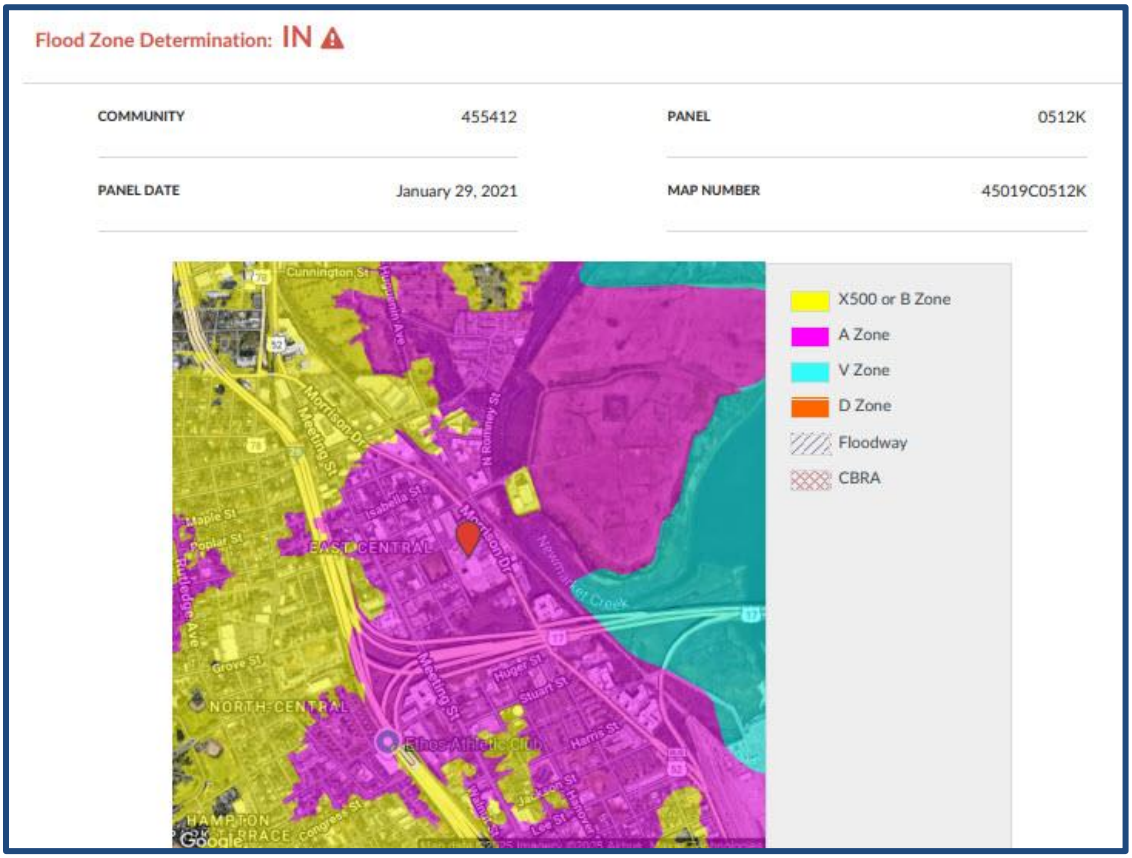
4611301056
4611301051
N HANOVER ST
4611301036
CONROY ST
4590200011
46113030241 4611303024
4611303102
4611303022
4611303101
4590200009
MORRISON DR
4611303092
4611303100
4590101001
N NASSAU ST
4611303006
4590101082
4590101079
4590101083
CEDAR ST
4611303001
4590101002

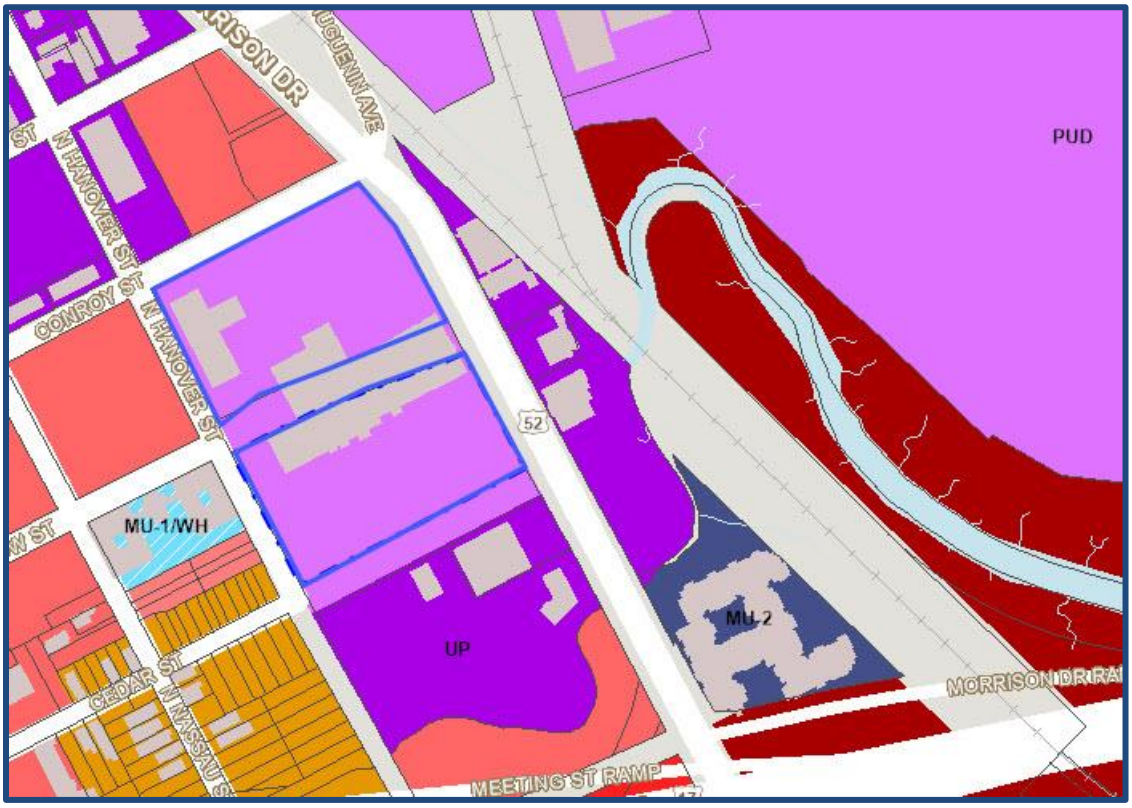
FLOOD MAP


Flood Zone Determination: IN
COMMUNITY
455412
PANEL
0512K
PANEL DATE
January 29, 2021
MAP NUMBER
45019C0512K
X500 or B Zone
A Zone
V Zone
D Zone
Floodway
CBRA
Cunnington St
Morrison Dr
Meeting St
Isabella St
Maple St
Poplar St
EAST CENTRAL
Rutledge Ave
Grove St
NORTH CENTRAL
Hagen St
Stuart St
Harris St
Ethos Athletic Club
HAMPTON PARK TERRACE
Congress St
Google

TRAFFIC MAP

Romney St
N Nassau St
N Hanover St
Charleston
Tech Center
Conroy St
Subject
Simmons
Playground
Morrison Dr
Morrison Dr
Cool Blow St
Cool Blow St
N Hanover St
N Nassau St
Cedar St
North Eastside
19 400

ZONING MAP


PUD
MU-1/WH
UP
MU-2
52
CONROY ST
N HANOVER ST
CEDAR ST
MEETING ST RAMP

Property Photographs

View of adjacent property

Assessment and Tax Data

Assessment Methodology

Property taxes are based upon an appraisal of the property prepared by the Charleston County Tax Assessor's Office. An appraisal is conducted every five years on properties located within Charleston County and the values are in theory appraised at 100% of market value. This is commonly known as an "equalization" program.

Under the current Law, a property's tax appraisal will increase no more than 3% per year or 15% during each 5-year Equalization cycle, unless there is transferable interest (ATI). An ATI includes sales, gifts, inheritance, and long-term leases (those more than 20 years). When any property encounters an ATI, the Assessor is required to re-appraise it at market value for the following tax year.

Current law provides for an exemption of up to 25% of any increase in property tax re-appraisal because of an ATI and it only applies to properties that are taxed at a 6% assessment ratio. To obtain this exemption, the purchaser must submit a written request to the Assessor between January 1 and January 30 of the tax year following the ATI. If written request is not made or is submitted after January 30, there will be no 25% exemption.

The exemption cannot result in a reduction in the property tax that is less than the property tax due (using Assessor's market value appraisal) at the time of the ATI. Therefore, if the market value re-appraisal based on the ATI is not greater than 25% of the market value appraisal when an ATI occurs, property tax will not change.

At the same time, if an ATI occurs and market value re-appraisal is less than the Assessor's market value appraisal at the time of the ATI property taxes will decrease in the year following the ATI.

This tax system has been in place for enough time so buyers and sellers understand the effects of an ATI. This appraisal is made assuming a buyer would anticipate an ATI and make timely written application for the 25% exemption.

Assessed Values and Property Taxes

Lots B and D currently enjoy tax exempt status by virtue of their ownership. Lot C's information is shown below:

Ad Valorem Tax Schedule

Tax Parcel Numbers: 461-13-03-101 & 461-13-03-024

Charleston County Year	Actual 2024
Appraised Value	
Land:	$2,760,900
Improvements:	$0
Total:	$0
Per Square Foot:	$0.00
% Change:	N/A
Assessment Ratio	6.00%
Assessed Value	
Land:	$165,654
Improvements:	$0
Total:	$165,654
% Change:	N/A
Tax Rate per $1,000	$313.600000
% Change:	N/A
	Actual
Tax Expense	2024
Total:	$51,949

Highest and Best Use Analysis

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Highest and Best Use As Vacant

The primary determinants of the highest and best use as vacant are (1) Legal permissibility, (2) Physical possibility, (3) Financial feasibility, and (4) Maximum productivity.

Legally Permissible

The property is zoned PUD and TC, Planned Development and Tech Corridor Overlay Zone, which allows mixed use commercial and residential development. The known use restrictions that would unduly limit or impede development are related to the TC Overlay. As stated earlier, both residential and retails uses are limited. The property location is appropriate for the uses allowed.

Physically Possible

The physical property characteristics are presented in the property description section and allow for a number of potential uses. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences were considered. No physical attributes materially limit legally permissible and appropriate development. The most probable use of the site is for mixed use including office and limited residential development, which conforms to the pattern of land use in the immediate area.

Financially Feasible

Under the current PUD and Tech Corridor overlay, near-term speculative property development is marginally financially feasible. The retail and residential uses which yield the highest land prices in the City are limited in terms of density, and the Tech Office along with other office uses are yielding lower land prices.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as vacant is for mixed use office and residential as market conditions permit.

Highest and Best Use As Vacant Conclusion

The conclusion of the highest and best use as vacant is for mixed use office and residential development as market conditions permit.

Most Probable Buyer

As of the date of value, the most probable property buyer is a developer and / or land speculator.

Land Valuation

Methodology

Vacant land is most often estimated using the sales comparison approach. It develops an indication of market value by analyzing closed sales, listings, or pending sales of properties like this, focusing on the difference between it and the comparable sales using appropriate elements of comparison. This approach is based on the principles of supply and demand, balance, externalities, and substitution, or the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership.

Unit of Comparison

The unit of comparison selected depends on the appraisal problem and nature of the property and is intended to explain or mirror market behavior. The primary unit of comparison in this market and applied in this analysis is price per usable square foot.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location and (7) physical characteristics.

Comparable Sales Data

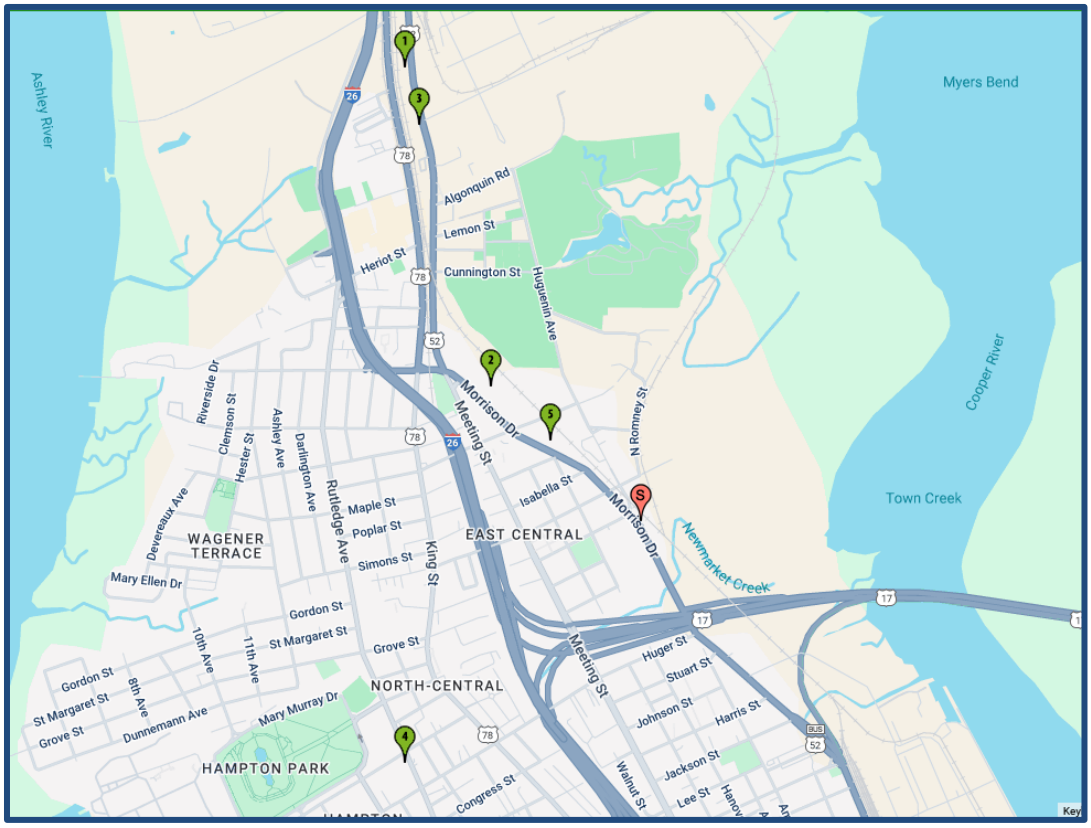
The market was studied to identify sales and listings of comparable properties with a focus on those that appeal to the most probable property buyer. These properties typically have similar locations and physical characteristics. Of these transactions, sufficient sales data was available for the following comparable sales, which were analyzed to estimate a unit value.

The following table summarizes the comparable sales utilized and a map illustrating the location of each. Details of each comparable sale follow the location map. Since Lots B and D are separated by Lot C, and Lot C is in different ownership and have different highest and best uses, we have valued each lot as an independent property and then added those conclusions. The result is then discounted to market value as a single property to a single purchaser.

Land Sales Summary

Comp. No.	Date of Sale	Usable Sq. Ft.	Location		Zoning	Proposed Use	Sales Price Actual	Per Sq. Ft.
1	July-25	20,909	1659 & 1663 Meeting Street Road	Charleston, South Carolina	UP		$2,200,000	$105.22
2	April-25	193,842	1142 Morrison Drive	Charleston, South Carolina	UP	Retail and Residential	$24,500,000	$126.39
3	January-23	144,619	1590 Meeting Street	Charleston, South Carolina	UP		$10,000,000	$69.15
4	October-22	18,731	637 Rutledge Avenue	Charleston, South Carolina	GB	Future commercial development	$1,200,000	$64.06
5	May-19	104,544	1074 North Morrison Drive	Charleston, South Carolina	UP	Office Building	$6,000,000	$57.39

COMPARABLE SALES MAP



LAND COMPARABLE 1

Property Identification

Property Name	Redevelopment Project
Address	1659 & 1663 Meeting Street Road
City County State Zip	Charleston, Charleston County, South Carolina 29405
MSA	Charleston-North Charleston
Tax ID	464-06-00-005 & 464-06-00-020
VPA Property/Sale ID	11509134/1810557

Transaction Data

Sale Status	Closed
Sale Date	07-01-2025
Grantor/Seller	Prima, LLC
Grantee/Buyer	1659 Meeting LLC
Deed Book/Page	1322-626
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Typical
Sales Price	$2,200,000
Adjusted Sales Price	$2,200,000

Adjusted Sales Price Indicators

Price per Gross Acre	$4,583,333
Price per Gross SF	$105.22
Price per Usable Acre	$4,583,333
Price per Usable SF	$105.22

Verification

Property Description

Gross Land Area	0.480 Acres/20,909 SF
Usable Land Area	0.480 Acres/20,909 SF
Frontage Feet	200.65
Depth	100.00
No. of Lots	2
Proposed Bldg SF	3,970
Proposed Units	4
Density (Units/Acre)	8.33
Street Access	2 curb cuts along Meeting Street
Visibility	Excellent
Corner/Interior	Mid-Block
Shape	Rectangular
Topography	Level
Utilities	Public Water, Electric and Sewer
Drainage	Appears Adequate
Flood Hazard Zone	Zone X
Zoning Code	UP Upper Peninsula District

Remarks

Improved on the site is a 3,970 SF auto service facility that is currently vacant. The buyers plan to use the improvements on an interim basis while working on redevelopment plans.

LAND COMPARABLE 2

Property Identification

Property Name	Mixed Use Land
Address	1142 Morrison Drive
City County State Zip	Charleston, Charleston County, South Carolina 29403
MSA	Charleston-North Charleston
Tax ID	461-09-01-007 & 008
VPA Property/Sale ID	11012109/1443568

Transaction Data

Sale Status	Closed
Sale Date	04-04-2025
Grantor/Seller	International Longshoremens Association Local 1422
Grantee/Buyer	Morrison OZB, LLC
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Typical
Sales Price	$24,500,000
Adjusted Sales Price	$24,500,000

Adjusted Sales Price Indicators

Price per Gross Acre	$5,505,618
Price per Gross SF	$126.39
Price per Usable Acre	$5,505,618
Price per Usable SF	$126.39

Verification

Confirmed By	Christopher D. Donato
Confirmation Source	Andy Matsick, Broker

Property Description

Proposed Use	Retail and Residential
Gross Land Area	4.450 Acres/193,842 SF
Usable Land Area	4.450 Acres/193,842 SF
Frontage Feet	673.00
Depth	314.00
Street Access	Good
Rail Access	No
Water/Port Access	No
Visibility	Good
Corner/Interior	Soft Corner
Shape	Irregular
Topography	Level
Utilities	All Available
Drainage	Appears Adequate
Flood Hazard Zone	Zone X
Zoning Code	UP Upper Peninsula

Remarks

This property is the International Longshoremen's Union Hall on Morrison Drive. The building is 28,364 SF and was built in 2002. However, this is a special purpose structure with a large hiring hall. The city has informed the broker that the BAR has no jurisdiction over this building and can be demolished.

This property was placed on the market about 2 years ago with a call for offers. Several offers over $20,000,000 were received, but the Union was having internal conflicts over whether to sell the property or not. The membership eventually voted not to sell, but the union president went to national leadership and had the vote overturned. The Union has since purchased the Hill-Rom building over Leeds Avenue and will be moving their operation to a new location.

In the meantime, the Morrison Drive facility was placed back on the market in late 2019, this time with an asking price of $25,000,000. According to the listing broker a contract was signed during the second week of January 2020, for a price over $20,000,000. The exact amount could not be revealed. The prospective buyer is a national home builder familiar with the upper peninsula and intends to develop a mixed use project with of apartments and a significant office component. Approximately two months later the COVID virus shut down business and was particularly damaging to office buildings since many offices closed and sent employees home to work.

The prospective buyers voided the contract during the due diligence period to get a better handle on the direction of the market. The prospective buyer originally bid on this property in 2018 and was one of the lowest bids. When the property was placed back on the market in late 2019 it was in the new opportunity zone. The prospective buyer who was last was now the highest bidder, doubling their bid due to the opportunity zone.

The property was again listed for sale in 2021, for $36,000,000. The most recent sales price was $24,500,000 with $8,750,000 seller provided financing.

LAND COMPARABLE 3

Property Identification

Address	1590 Meeting Street
City County State Zip	Charleston, Charleston County, South Carolina 29405
MSA	Charleston-North Charleston
Tax ID	464-10-00-006-1, 464-10-00-120, 464-10-00-121, 464-10-00-122, 464-10-00-123
VPA Property/Sale ID	11495917/1790380

Transaction Data

Sale Status	Closed
Sale Date	01-09-2023
Grantor/Seller	Cooper River Corp LLC
Grantee/Buyer	Atlas Real Estate Partners
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Typical
Sales Price	$10,000,000
Adjusted Sales Price	$10,000,000

Adjusted Sales Price Indicators

Price per Gross Acre	$3,012,048
Price per Gross SF	$69.15
Price per Usable Acre	$3,012,048
Price per Usable SF	$69.15
Price per Front Foot	$82,644.63

Verification

Confirmed By	Matthew McIntyre

Property Description

Gross Land Area	3.320 Acres/144,619 SF
Usable Land Area	3.320 Acres/144,619 SF
Frontage Feet	121.00
Rail Access	Yes
Water/Port Access	No
Visibility	Good
Corner/Interior	Interior
Shape	Slightly Irregular
Topography	At about street grade
Utilities	are assumed adequate.
Drainage	Appears Adequate
Flood Hazard Zone	X
Zoning Code	UP

Remarks

This 3.32 property sold to Atlas Real Estate Partners for $10,000,000 in January of 2023. Atlas Real Estate Partners is a multifamily-focused private investment and development firm with offices in New York and Miami, will develop the project, known as The Darby, with FIDES.

The transaction closed on January 10, following a two-year contract period in which full entitlements and site plan approval were obtained for the project.

LAND COMPARABLE 4

Property Identification

Property Name	South State Branch / Rutledge
Address	637 Rutledge Avenue
City County State Zip	Charleston, Charleston County, South Carolina 29403
MSA	Charleston-North Charleston
Tax ID	460-03-01-054
VPA Property/Sale ID	11246401/1776025

Transaction Data

Sale Status	Closed
Sale Date	10-11-2022
Grantor/Seller	SouthState Bank
Grantee/Buyer	Hampton Ventures LLC
Recording Number	1142 904
Property Rights	Fee Simple
Sales Price	$1,200,000
Adjusted Sales Price	$1,200,000

Adjusted Sales Price Indicators

Price per Gross Acre	$2,790,698
Price per Gross SF	$64.06
Price per Usable Acre	$2,790,698
Price per Usable SF	$64.06

Verification

Confirmed By	Michael C. Tawes
Confirmation Source	Frank Hagood - Buyer

IMG_7960

Property Description

Proposed Use	Future commercial development
Gross Land Area	0.430 Acres/18,731 SF
Usable Land Area	0.430 Acres/18,731 SF
Frontage Feet	125.00
Depth	150.00
No. of Lots	1
Proposed Bldg SF	1,000
Proposed Units	1
Density (Units/Acre)	2.33
Street Access	Two curb cuts along Rutledge Ave, 1 cur cut along Moultrie Street, and 2 curb cuts along Huger Street
Visibility	Good
Corner/Interior	Corner
Topography	Level
Utilities	Public Utilities
Drainage	Appears Adequate
Flood Hazard Zone	X500 or B Zone
% in Flood Hazard	0.00%
Zoning Code	GB General Business

Remarks

This is a sale of former SouthState Bank branch located at the corner of Rutledge Avenue and Moultrie Street near Hampton Park. This is small branch that had been closed for some time. The buyer intends to lease the property on an interim basis and eventually redeveloped the site. As such, this is a land sale

LAND COMPARABLE 5

Property Identification

Property Name	Mixed Use Land
Address	1074 North Morrison Drive
City County State Zip	Charleston, Charleston County, South Carolina 29403
MSA	Charleston-North Charleston
Tax ID	461-09-03-003 & 060
VPA Property/Sale ID	92928/67240

Transaction Data

Sale Status	Closed
Sale Date	05-21-2019
Grantor/Seller	WCCS, LLC
Grantee/Buyer	1074 Morrison LLC
Deed Book/Page	0797 / 072
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Typical
Sales Price	$6,000,000
Sale Conditions Adj.	$1,275,000
Adjusted Sales Price	$7,275,000

Adjusted Sales Price Indicators

Price per Gross Acre	$3,031,250
Price per Gross SF	$69.59
Price per Usable Acre	$3,031,250
Price per Usable SF	$69.59

Verification

Confirmed By	Christopher D. Donato
Confirmation Source	Eddie Buxton, Listing Agent

Property Description

Proposed Use	Office Building
Gross Land Area	2.400 Acres/104,544 SF
Usable Land Area	2.400 Acres/104,544 SF
Frontage Feet	480.00
Depth	225.00
No. of Lots	1
Proposed Bldg SF	99,000
Street Access	Morrison Drive & Brigade Street
Rail Access	No
Water/Port Access	No
Visibility	Good
Corner/Interior	Soft Corner
Shape	Irregular
Topography	Level
Drainage	Appears adequate for development
Flood Hazard Zone	Zones X and AE
Zoning Code	UP Upper Peninsula

Remarks

This site had two buildings that formerly comprised an automobile dealership. The buildings were built in 1968 and no longer represent the highest and best use of the site. They contributed no value. This site was originally put under contract in September 2016. The asking price for the property was $6,500,000. However, there were 12 bidders for the property, which was ultimately reduced to 4. These 4 bidders pushed the contract price to approximately 20% greater than the asking price ($7,900,000).

The buyers had completed an environmental study of the site and have found two minor sites requiring clean up. The cost of clean up is the responsibility of the buyer.

The then prospective buyer asked for an extension of closing to the first quarter of 2018. However, the sellers were unwilling to extend the closing and the contract was voided. The listing agent placed the property back on the market for bid and had excellent response. A contract was negotiated at $7,150,000. After a due diligence period the prospective purchaser on Friday, May 25, 2018, wrote and voided the contract using as a reason that

construction costs were too high at this time. On Friday (5/25/2018) the property was withdrawn from the market.

The site was placed back on the market in late 2018 with an asking price of $6,950,000. The experience with marketing this property was with developers interested in mixed uses of retail and apartments. However, an office developer decided this was the site he wanted and ultimately built a 99,000 SF building that is mostly offices with a small amount of retail on the northwest corner.

The northwest corner of the site was under another tax map number and different ownership. This corner parcel of 0.30 acre was purchased from Patrick Kelly and Anita Dawn Baker on 5/21/2019 for $1,275,000 (see deed book 0797 page 078).

The amount of $1,275,000 will be added as a condition of sale to show the total amount paid for the land assemblage.

Land Sales Comparison Analysis

When necessary, adjustments were made for differences in various elements of comparison, including property rights conveyed, financing terms, conditions of sale, expenditures made immediately after purchase, market conditions, location, and other physical characteristics. If the element in comparison is superior, a negative adjustment was applied. Conversely, a positive adjustment was applied if inferior. A summary of the elements of comparison follows.

Transaction Adjustments

Transaction adjustments include: (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

Real Property Rights Conveyed

Real property rights conveyed influence sales prices and must be considered when analyzing a comparable sale. The property rights appraised reflect the fee simple interest. All the comparable sales conveyed the same interest; therefore, no adjustments were necessary.

Financing Terms

The transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms.

All the comparable sales involved typical market terms by which the sellers received cash or its equivalent and the buyers paid cash or tendered typical down payments and obtained conventional financing at market terms for the balance. Therefore, no adjustments for this category were required.

Conditions of Sale

When the conditions of sale are atypical, the result may be a price that is higher or lower than that of a normal transaction. Adjustments for conditions of sale usually reflect the motivations of either a buyer or a seller who is under duress to complete the transaction. Another more typical condition of sale involves the downward adjustment required to a comparable property's for-sale listing price, which usually reflects the upper limit of value.

Sale 5 required an upward adjustment of 21.3% for the assemblage described earlier.

Expenditures Made Immediately After Purchase

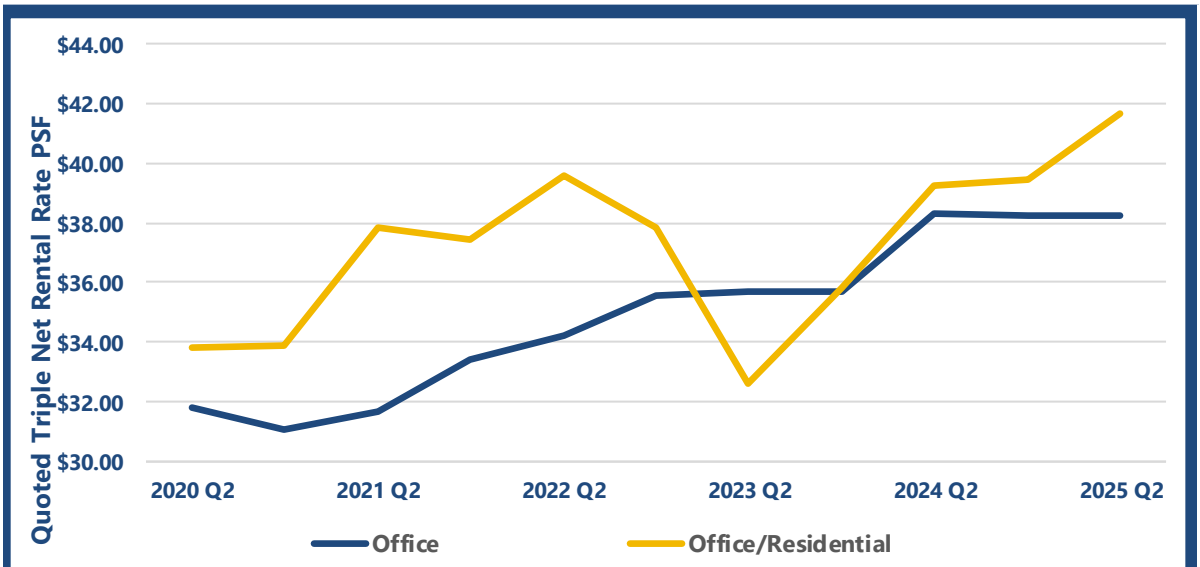
A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include: costs to demolish and remove any portion of the improvements, costs to petition for a zoning change, and/or costs to remediate environmental contamination.

The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller. Unless the sales involved expenditures anticipated upon the purchase date, no adjustments to the comparable sales are required for this element of comparison. The parties to these transactions did not anticipate expenditures were required immediately after purchase; therefore, no adjustments were necessary.

Market Conditions Adjustment

Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

Discussions with market participants and a review of market data indicated that overall market conditions for vacant land properties have been improving with recent transactions confirming this trend. This is further shown in the chart from CoStar which analyzes office rentals and office/residential rentals over the past 10 years.



Time Period	2025 Q2	1-Year	3-Year	5-Year	10-Year
City of Charleston - Office	$38.22 PSF	$38.29 PSF	$34.23 PSF	$31.80 PSF	$23.50 PSF
Annual Growth Rate	-	*-0.2%*	*3.7%*	*3.7%*	*5.0%*
City of Charleston - Office/Residential	$41.65 PSF	$39.23 PSF	$39.60 PSF	$33.79 PSF	$27.23 PSF
Annual Growth Rate	-	6.2%	1.7%	4.3%	4.3%

Source: CoStar Group, Inc.

Based on this information, a reasonable adjustment reflecting changes in market conditions is 4.00%.

Property Adjustments

Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after transaction and market conditions adjustments. The reasoning for the property adjustments made to each comparable sale follows. The discussion analyzes each applicable adjustment category.

Location

Location adjustments may be required when the locational characteristics of a comparable are different. These characteristics can include general neighborhood characteristics, proximity to major

thoroughfares, proximity to employments centers and amenities, neighboring properties, and accessibility.

This property is on the west side of Morrison Drive and to the south of Romney Street with excellent access and excellent visibility. Sales 2 and 5 are in similar locations.

Both Sale 1 and Sale 3 are further from the center of the Peninsula, in an area that is in the path of growth and are inferior locations.

Sale 4 is on Rutledge Avenue, in a primary residential area, with scattered neighborhood commercial uses. It is also a well-developed area, and not in a similar growth area as this property so it is an inferior location.

Size

The size adjustment addresses difference in the physical size of this property compared to the comparable sales. Typically a large property commands a lower price per unit than a smaller property. This inverse relationship is due, in part, to the principle of "economies of scale."

This property is 3.270 acres of useable land and the comparable sales range in size from 18,731 to 193,842 square feet. Adjustments are made accordingly.

Zoning

The highest and best use of sale comparables should be very similar to the highest and best use of the property appraised. When comparable sales with the same zoning are lacking or scarce, parcels with slightly different zoning, but a similar highest and use may be used as comparable sales. These comparable sales may require an adjustment for differences in utility if the market supports such adjustment.

As discussed, the property is zoned Laurel Island Planned Development, that allows for general mixed uses. However, it also sits in the Tech Corridor Overlay, which puts a limit on both residential and retail densities with a 50% requirement of Tech office.

Sales 1, 2 and 3 are all zoned UP – The Upper Peninsula District. This is intended to accommodate a mixture of dense residential and commercial and uses and taller buildings in the upper portion of the peninsula using incentives designed to promote ecology, mobility, energy efficiency, diverse housing and privately maintained outdoor spaces accessible to the public. For each of these sales, we believe that the developers intent is for mixed uses to take advantage of the higher density zoning.

Sale 4 is zoned General Business, which on its own is the most intensive commercial zoning district. However, any residential use must be approved by special exception.

Sale 5 had the UP Zoning, but several attempts to purchase the site for residential uses were unsuccessful. Ultimately the buyer chose to develop the site with a large office building with some retail uses on the ground floor.

If we analyze Sale 2, which has full UP Zoning, against Sale 4 we can reconcile a time adjusted difference of about 44% due to the zoning. A similar analysis with Sale 5 indicates a difference of about 32% due to intended use for office.

Realizing that there is some residential density allowed for the property appraised in the TC Overlay, Sales 1- 3 were negatively adjusted a tempered 30% to reflect the superior density potential (zoning). Sale 4 was positively adjusted 10% to reflect the fact that there is no possibility of residential uses without a special exception.

Summary of Adjustments

A summary of the adjustments is presented in the following table:

LAND SALES ADJUSTMENT GRID – LOT D

	Subject	Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5
Sale ID		1810557	1443568	1790380	1776025	67240
Date of Value & Sale	August-25	July-25	April-25	January-23	October-22	May-19
Unadjusted Sales Price		$2,200,000	$24,500,000	$10,000,000	$1,200,000	$6,000,000
Usable Square Feet	142,002	20,909	193,842	144,619	18,731	104,544
Unadjusted Sales Price per Usable Sq. Ft.		**$105.22**	**$126.39**	**$69.15**	**$64.06**	**$57.39**
Transactional Adjustments						
Property Rights Conveyed	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$57.39
Financing Terms	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$57.39
Conditions of Sale	*Typical*	*Typical*	*Typical*	*Typical*	*Typical*	*Typical*
Adjustment		-	-	-	-	21.3%
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$69.59
Expenditures after Sale						
Adjusted Sales Price		**$105.22**	**$126.39**	**$69.15**	**$64.06**	**$69.59**
Market Conditions Adjustments						
Elapsed Time from Date of Value		*0.12 years*	*0.36 years*	*2.60 years*	*2.85 years*	*6.24 years*
Market Trend Through	January-25	-	-	7.9%	8.9%	22.5%
Subsequent Trend Ending	August-25	0.5%	1.5%	2.5%	2.5%	2.5%
Analyzed Sales Price		**$105.74**	**$128.23**	**$76.47**	**$71.50**	**$87.35**
Physical Adjustments						
Location	*993-995 Morrison Drive Charleston, South Carolina*	*1659 & 1663 Meeting Street Road Charleston, South Carolina*	*1142 Morrison Drive Charleston, South Carolina*	*1590 Meeting Street Charleston, South Carolina*	*637 Rutledge Avenue Charleston, South Carolina*	*1074 North Morrison Drive Charleston, South Carolina*
Adjustment		25.0%	-	25.0%	25.0%	-
Size	*142,002 sf*	*20,909 sf*	*193,842 sf*	*144,619 sf*	*18,731 sf*	*104,544 sf*
Adjustment		-14.0%	2.0%	-	-15.0%	-3.0%
Zoning	*PUD and TC*	*UP*	*UP*	*UP*	*GB*	*UP*
Adjustment		-30.0%	-30.0%	-30.0%	10.0%	-
Net Physical Adjustment		-19.0%	-28.0%	-5.0%	20.0%	-3.0%
Adjusted Sales Price per Usable Square Foot		**$85.65**	**$92.33**	**$72.65**	**$85.80**	**$84.73**

Conclusion – Lot D

The comparable sales were adjusted based on pertinent elements of comparison with the unadjusted and adjusted unit sales prices presented in the following table:

Land Sale Statistics

Metric	Unadjusted	Analyzed	Adjusted
Min. Sales Price per Usable Square Foot	$57.39	$71.50	$72.65
Max. Sales Price per Usable Square Foot	$126.39	$128.23	$92.33
Median Sales Price per Usable Square Foot	$69.15	$87.35	$85.65
Mean Sales Price per Usable Square Foot	$84.44	$93.86	$84.23

Based on this analysis, a reasonable conclusion is $85.00 per usable square foot. For further support, we are aware of a Meeting Street property pending contract for nearly 5 years at about $95.00 per square foot. It has a similar zoning which allows the highest density residential with a mix of office and retail on the ground floor which is superior to this property. Adjusting for changes in market conditions indicates an adjusted value of about $116.00 per square foot. After adjustments, it indicates about $80.00 per square foot which is within the range of comparable sales.

Applying this unit price, $85.00 per square foot, to the land area in Lot D, results in a conclusion of $12,070,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot D	142,005 square feet	x	**$85.00 psf**	=	**$12,070,000**

Conclusion – Lot B

Furthermore, consideration was given to the Lot B Tract, which consists of 138,085 square feet. It shares the same physical characteristics as Lot D, and therefore, a similar unit value of $85.00 per usable square foot is reasonable. Applying this to the Lot B area indicates a conclusion of $11,740,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot B	138,085 square feet	x	**$85.00 psf**	=	**$11,740,000**

Conclusion – Lot C

Finally, consideration was given to the Lot C Tract, which consists of 34,412 square feet. It shares the same physical characteristics as Lot D. However, as described in detail earlier, it's a long and narrow site, with a slight bend towards North Hanover Street. This significantly limits development possibilities due to size constraints. We have examples in this market of properties with limited utility that show discounts from about 50% to about 90%. In this case, there are numerous sites with narrow frontage and longer depths. Therefore, a reasonable adjustment for diminished utility is 50% which indicates a conclusion of $1,450,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot C	34,412 square feet	x	**$42.50 psf**	=	**$1,460,000**

Based on this analysis, the various land values are summarized as follows:

Tract	Size		Unit Value Estimate		Conclusions
Lot B	138,085 square feet	x	**$85.00 psf**	=	**$11,740,000**
Lot C	34,412 square feet	x	**$42.50 psf**	=	**$1,460,000**
Lot D	142,005 square feet	x	**$85.00 psf**	=	**$12,070,000**

The conclusions are based on three separate properties which can be sold at different times to different purchasers. The scope of the assignment is to estimate the market value of the property to a single purchaser. The possibility exists a purchaser may only want Lot B or D and after one of those is sold, the highest and best use of the remaining lot is to hold for future development after the project on the lot sold is complete or nearly complete.

The possibility exists the only logical purchaser of Lot C with limited utility is for assemblage with Lot B and / or D. It is less likely to be purchased for development on its own.

There is a theory in real estate the sum of the "parts do not equal the whole". We have individually valued the three properties because they are in different ownership and not contiguous (Lot B and D are separated by Lot C). Therefore, we have discounted the gross potential sales, $25,270,000 to present value using a discount factor at the current loan rate plus the rate of anticipated property appreciation.

I am aware of a recent loan on land with similar development potential at 6.5% amortized over 25% with a 70% loan to value ratio. Earlier, property appreciation is concluded to be 4.0% so that is added to the cost of funds. Therefore, a reasonable discount rate is 10.5%.

Lot	Market Value
Lot B	$11,740,000
Lot C	$1,460,000
Lot D	$12,070,000
Gross Potential Sales	**$25,270,000**
Disconted at 10.5%	**0.90498**
Market Value	**$22,868,778**
Rounded to	**$22,870,000**

Reconciliation

Summary of Value Indications

The conclusions are summarized in the following table.

Value Indications

Approach to Value	Market Value
Sales Comparison	$22,870,000
Cost	Not Developed
Income Capitalization	Not Developed

Value Conclusions

Component	Market Value
Value Type	Market Value
Real Property Interest	Fee Simple
Effective Date of Value	August 15, 2025
Value Conclusion	**$22,870,000**
	$72.72 PSF

Exposure Time and Marketing Period

Marketing and exposure time estimates of 6 to 12 months and 6 to 12 months, respectively, are reasonable and appropriate.

General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and limiting conditions:

1. The legal description is assumed to be correct, but the appraiser makes no representations or guarantees as to its accuracy.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Charleston will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the Client hire an expert if the presence of hazardous materials or contamination is of concern to the Client. Client means the Client as defined in the appraisal report.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner, employee, agent, or independent contractor of Valbridge Property Advisors | Charleston is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, Client shall compensate Appraiser for the time spent by the partner, employee, agent, or independent contractor in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses, regardless of whether the Client is the party seeking the appearance of testimony.
7. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
8. The dates of value to which the opinions expressed in this report apply are set forth in this report. The appraiser assumes no responsibility for economic or physical factors occurring at any other date(s), which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining and makes no representations regarding whether the date(s) of value requested by Client is appropriate for Client's intended use.
9. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
10. The information, estimates, and opinions, which were obtained from outside sources are considered reliable. However, the appraiser makes no representations regarding such sources, and no liability for them can be assumed by the appraiser.

11. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without the appraiser's prior express written consent and approval.

12. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. The appraiser claims no expertise and makes no representations in areas such as, but not limited to, legal, survey, structural, environmental, quality of construction, pest control, mechanical, etc. It is recommended that the Client hire an expert, such as a home inspector, if these areas are of concern to the Client.

13. This appraisal was prepared for the sole and exclusive use of the Client for the function outlined herein. Any party who is not the Client or intended user, as identified in the appraisal, is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Charleston and Client. The Client shall not include partners, members, stockholders, shareholders, affiliates, or relatives of the Client. The appraiser makes no representations and assumes no obligation, liability or accountability to any third party.

14. Distribution of this report is at the sole discretion of the Client, as identified in the appraisal, but the appraiser makes no representations to third parties not listed as an intended user on the face of the appraisal and such third parties may not rely upon the contents of the appraisal, including but not limited to the estimate of value. In no event shall the Client give a third-party a partial copy of the appraisal report. The appraiser will make no distribution of the report without the specific direction of the Client.

15. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Charleston.

16. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

17. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, the appraiser has not completed, nor has the appraiser contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no representations or guarantees, express or implied, regarding this determination.

18. The flood maps are not site specific. The appraiser is not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the Client obtain confirmation of the subject property's flood zone classification from a licensed surveyor.

19. If the appraisal is for mortgage loan purposes 1) the appraiser assumes satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.

20. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No representations are made, and no responsibility is assumed for such conditions or for engineering which may be required to discover them.

21. The appraiser's inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. To the extent dictated by the scope of assignment, the appraiser inspected the buildings involved and reported open and obvious damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no representation or guarantee of the amount or degree of damage (if any) is implied. The condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the Client have concerns in these areas, it is the Client's responsibility to order the appropriate inspections. The appraiser is not a home inspector or pest control expert and does not have the skill or expertise to make such inspections, makes no representations regarding these items, and assumes no responsibility for these items.

22. This appraisal does not guarantee compliance with the building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

23. When possible, the appraiser relied upon building measurements provided by the Client, owner, or associated agents of these parties. In the absence of reliable public records or "as-built" plans provided, to the appraiser relied upon his/her own measurements of the subject improvements. The appraiser follows typical appraisal industry methods; however, the appraiser recognizes that some factors may limit the ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment and the appraiser makes no representations concerning this information.

24. The appraiser has attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by the appraiser to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, the appraiser cannot guarantee and makes no representations regarding their accuracy. Should the Client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the Client, the appraiser will submit a revised report for an additional fee.

25. In the absence of being provided with a detailed land survey, the appraiser used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the Client, the appraiser will submit a revised report for an additional fee.

26. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences, upon request of the Client, the appraiser will submit a revised report for an additional fee.

27. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed, and no representations are made regarding any such conditions, or for any expertise or engineering knowledge required for discovery. The Client is urged to retain an expert in this field, if desired.

28. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraiser has not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since the appraiser has no direct evidence relating to this issue, the appraiser did not consider possible noncompliance with the requirements of ADA in developing an opinion of value. It is recommended that the Client hire an expert, such as an attorney or other qualified expert, if ADA compliance is an area of concern to the Client.

29. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

30. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

31. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. As such, the appraiser makes no representations regarding such income or expense estimates and the intended user(s) of the appraisal may not rely on such estimates.

32. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, the appraiser strongly recommends that the Client obtain estimates from professionals experienced in establishing insurance coverage. The appraiser makes no representations regarding such insurable value, and any analysis should not be relied upon to determine insurance coverage and the appraiser makes no representations regarding the accuracy of this estimate.

33. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. Subject to the Uniform Standards of Professional Appraisal Practice, the appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the Client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

34. The Client and Valbridge Property Advisors | Charleston both agree that any dispute over matters in excess of $5,000 shall be submitted for resolution by mandatory arbitration pursuant to the rules of the American Arbitration Association. This includes fee disputes and any claim of malpractice. The parties agree to a sole arbitrator, who shall be mutually selected. The arbitration shall be held in Charleston County, South Carolina, unless otherwise expressly agreed to between the parties. Such arbitration shall be binding and final. In agreeing to arbitration, both parties acknowledge that, by agreeing to binding arbitration, each is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the Client, or any other party, makes a claim against Valbridge Property Advisors | Charleston or any of its employees, agents, representatives, or independent contractors in connection with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Charleston for this assignment, and under no circumstances shall any claim for consequential, incidental, or punitive damages be made.

35. Valbridge Property Advisors | Charleston shall have no obligation, liability, or accountability to any third party. Any party who is not the "Client" or intended user identified on the face of the appraisal is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Charleston. "Client" shall not include partners, members, stockholders, shareholders, affiliates, or relatives of the party identified as the Client in the appraisal. Client shall indemnify, defend (including the reimbursement of reasonable attorneys' fees), and hold Valbridge Property Advisors | Charleston and its employees, agents, representatives, and/or independent contractors harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment, including claims that arise solely out of the negligence of the appraiser or Valbridge Property Advisors | Charleston. The Client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, Client shall indemnify, defend (including the reimbursement of reasonable attorneys' fees) and hold Valbridge Property Advisors | Charleston and its employees, agents, representatives, and independent contractors harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Charleston in such action, regardless of its outcome.

36. The appraiser responsible for the preparation for the appraisal report is an employee and/or independent contractor of Charleston. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services and has taken no part in the preparation of this report.

37. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

38. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – Karl P. Finkelstein

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned Karl P. Finkelstein has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Karl P. Finkelstein has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to those signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Karl P. Finkelstein completed the continuing education program for Designated Members of the Appraisal Institute.

Karl P. Finkelstein, MAI, AI-GRS
Senior Managing Director
South Carolina Certified General CG 3396
Expires 06/30/2026

Certification – Pledger M. Bishop, III

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned Pledger M. Bishop, III performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Pledger M. Bishop, III did not personally inspect the subject property.
10. No one provided significant real property appraisal assistance to those signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Pledger M. Bishop, III completed the continuing education program for Designated Members of the Appraisal Institute.

Pledger M. "Jody" Bishop III, MAI, SRA, AI-GRS, CRE
Senior Managing Director
South Carolina Certified General CG 795
Expires 6/30/2026

Addenda

Engagement Letter

Glossary

Qualifications

- Karl P. Finkelstein, MAI, AI-GRS - Senior Managing Director
- Pledger M. Bishop, III, MAI, SRA, AI-GRS, CRE - Senior Managing Director

Information on Valbridge Property Advisors

Letter of Engagement

Valbridge
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CHARLESTON

July 22, 2025

JOSH MARTIN
Special Advisor
City of Charleston | Executive Department
80 Broad Street
Charleston, SC 29401

RE: Quote for appraisal of 993 – 995 Morrison Drive and the Right of Way parcel separating the properties in Charleston, SC

Dear Mr. Martin:

Thank you for the opportunity to submit a fee quote for an appraisal of the referenced properties which consists of 3 adjacent parcels – 993 Morrison Drive which is a vacant 3.26-acre parcel; 995 Morrison Drive which is a vacant 3.17-acre parcel and a .72 acre right of way parcel that separates 993 – 995 Morrison Drive. 993 – 995 Morrison Drive are owned by Charleston County and the right of way parcel is owned by LRA Promenade LLC.

The City of Charleston is the client. The intended users include the client and you. It is my understanding that the report will be used for support in negotiating a purchase price for the properties.

The effective date(s) of value is the current date and the property rights appraised will be the fee simple interest.

If the property interest to be valued is a "leased fee," the appraisal will not include any valuation of the property as if the lease(s) on the property are no longer in place (in a "go dark" status"), unless requested by Client and stated in this Agreement.

The anticipated scope of work will include general property inspection for real estate appraisal purposes, analyses of the market for like properties and a conclusion of market value. The definition of the type of value will be stated in the report. Valbridge Property Advisors | Charleston is not responsible for determining whether the type of value stated for this assignment is appropriate for Client's intended use, as that determination may be a legal matter or the subject of Client's internal requirements. A current value is not a prediction of any future value or a representation of the price the property may be sold for in distress or foreclosure. If a different type of value is necessary, please inform us prior to executing this Agreement.

This quote is for real estate appraisal reports which will conform with and will be subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP). The services performed under this Agreement will be subject to the attached Standard Terms and Conditions, which are incorporated into and form a material part of this Agreement. Each appraisal will also be subject to the General Assumptions and Limiting Conditions which will be included within the report. These are also found at the end of this Agreement. If modification of

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the General Assumptions and Limiting Conditions is required by Client, please inform us of that requirement prior to executing this Agreement, so that we can reach agreement on any modifications.

I have no current or prospective interest in the referenced properties or in the Client(s). I have not performed any prior services regarding the referenced properties within the three-year period immediately preceding the date of this Agreement, as an appraiser or in any other capacity.

Valbridge Property Advisors | Charleston will use its best efforts to deliver the appraisal report no later than such date. Delivery of the report is contingent on Valbridge Property Advisors | Charleston's timely receipt of information and documentation from Client and other parties, as well as access to the property if necessary for the scope of work. In the event of a delay, Valbridge Property Advisors | Charleston will inform Client as soon as reasonably practicable.

My fee(s) for this assignment(s) are not to exceed $12,000 and I anticipate a completion date of about 3 - 4 weeks from authorization to proceed which is evidenced by you, returning this quote to me with your signature.

As part of our contract for services, the client(s) will pay all costs and expenses incurred by Valbridge Property Advisors | Charleston, in collecting any unpaid past due amounts from Purchaser hereunder, to include but not limited to court costs, all other expenses, incurred by Valbridge Property Advisors | Charleston in litigation, and a reasonable attorney fee. The aggregate amount of all fees and expenses for which Valbridge Property Advisors | Charleston, is entitled to reimbursement shall be added to, and become a part of any judgment entered against Client and in favor of Valbridge Property Advisors | Charleston.

Late payments shall draw interest at the rate of 1.5% per month from the due date. Accrued interest is immediately due and payable, and interest shall accrue on unpaid at the rate of 1.5% per month until paid in full. Interest will accrue on any judgment obtained by Valbridge Property Advisors | Charleston, for payment and interest due at the rate of 18% per annum. Any payments received shall be applied first to the reduction of interest then to the principal.

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Once again, thank you for the opportunity to submit this fee quote. Please contact me if you need any additional information.

Respectfully submitted,
Valbridge Property Advisors | Charleston

Pledger M. "Jody" Bishop III, MAI, SRA, AI-GRS, CRE
SC State Certified General
Real Estate Appraiser
License #CG795

AGREED AND ACCEPTED

~~Josh Martin~~ on behalf of
The City of Charleston
William G. Cogswell, Jr.

23 July 2025
Date

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INDEPENDENT VALUATIONS FOR A VARIABLE WORLD

Pledger M (Jody) Bishop III, MAI, SRA, AI-GRS, CRE
Valbridge Property Advisors | Charleston
jbishop@valbridge.com

1250 Fairmont Avenue
Mount Pleasant, SC 29464

Main: 843.884.1266
Direct: 843.568.3740
Fax: 843.881.7532

STATE CERTIFICATIONS
South Carolina
North Carolina
Georgia

EDUCATION
Bachelor of Science
Business Administration
University of South Carolina

www.valbridge.com

Pledger M (Jody) Bishop III, MAI, SRA, AI-GRS, CRE

President & CEO – Valbridge Property Advisors Inc.

Senior Managing Director
Valbridge Property Advisors | Charleston

MEMBERSHIPS & AFFILIATIONS

Appraisal Institute, Member

- **2022 President of The Appraisal Institute**
- 2021 President Elect
- 2022 Vice President
- AI-GRS Designation, 2018
- MAI Designation, 1995
- SRA Designation, 1989
- Chair General Demonstration Appraisal Grading Panel, 2017-2020
- Audit Committee Member, 2018-2019
- Edward W "Lalo" Adams Outstanding Board Service Award, 2018
- AI Presidents Award, 2017
- Region IX Director, 2014-2018

National Association of Realtors

- CRE Designation, 2003

Charleston Trident Board of Realtors

- Board of Director Multiple Listing System
- Board of Realtors Professional Standards Committee
- Board of Realtors Grievance Committee

Elder Mount Pleasant Presbyterian Church
Member Charleston County Board of Assessment Appeals, 1993-1996

EXPERIENCE

Valbridge Property Advisors| Charleston - Senior Managing Director,2013-Present

Atlantic Appraisals, LLC – Associate 1990-1995 - Principal 1995 – 2013

Appraisal Consultants, Inc – 1986 – 1990

Charleston County Assessor's Office – 1984 - 1986

Testified in US HFSC Hearing Chaired by Representative Maxine Waters - 2022

Recognized as Expert Witness in various Courts of Law

Experienced in valuation of various commercial and residential Real Estate property including property valuations for Preservation and Conservation Easements, Valuation Review and Consulting assignments, and Valuations and Consultation for Property Tax Appeal

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North Carolina Department of Labor, Licensing and Regulation
Real Estate Appraisers Board
CERTIFIES THAT
PLEDGER M BISHOP III
IS AUTHORIZED TO PRACTICE
Certified General Appraiser
LICENSE NO
AB 795 CG
EXPIRATION DATE: 06/30/2025

STATE OF GEORGIA
REAL ESTATE APPRAISERS BOARD
PLEDGER M BISHOP III
259626
CERTIFIED GENERAL REAL PROPERTY APPRAISER

NORTH CAROLINA
APPRAISAL BOARD
APPRAISER QUALIFICATION CARD
REGISTRATION / LICENSE / CERTIFICATE HOLDER
PLEDGER M BISHOP III
24
25
A5208
APPRAISER NUMBER
G
TYPE
Y
NATIONAL REGISTRY
EXPIRES JUNE 30, 2025

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STANDARD TERMS AND CONDITIONS FOR SERVICES AGREEMENT

1. **"Personnel."** When capitalized, the term "Personnel" refers to all employees, partners, owners, shareholders, members, officers, directors or independent contractors of the respective party.
2. **Responsibility for Services.** Valbridge Property Advisors | Charleston is solely responsible for the services provided under this Agreement and the work product of its appraisers. Valbridge Property Advisors | Charleston is an independently owned and operated franchisee member firm of Valbridge Property Advisors Franchising System, LLC, which is a subsidiary of Valbridge Property Advisors, Inc. (both collectively referred to below as "VPA").

   VPA and its subsidiaries (including Valbridge Property Advisors Franchising System, LLC, Data Appraise Systems, LLC, and Valbridge Property Advisors Data Solutions, LLC) do not perform valuation services, are not being engaged to provide any services under this Agreement and have no responsibility concerning or liability for the services of Valbridge Property Advisors | Charleston or any appraisal or other work product.
3. **Appraisal Fee Changes.** The appraisal fee is based on an understanding of the assignment as outlined in the specifications for the appraisal. Changes in the scope of work or unanticipated matters concerning the property may result in a higher fee and will be billed at Valbridge Property Advisors | Charleston's regular hourly rates. If Client places the assignment "on hold" and then reactivates the assignment, an additional charge may apply due to the inefficiency created. If Client cancels the assignment prior to completion, Client agrees to pay for Valbridge Property Advisors | Charleston's costs and time incurred at its regular hourly rates prior to its receipt of written notice of such cancellation.
4. **Services Performed on an Hourly Basis.** If this assignment includes a provision for services performed on an hourly billing basis, the hourly rates for such services are subject to periodic adjustment to current rates. Valbridge Property Advisors | Charleston will provide 30 days' notice to Client prior to any rate increases. If Client chooses not to consent to the increased rates, Client may terminate the Agreement by written notice effective when received by Valbridge Property Advisors | Charleston. If this assignment includes a provision for services performed on an hourly billing basis, Client acknowledges that Valbridge Property Advisors | Charleston has not committed any total fee amount to be incurred by Client under this Agreement.
5. **Intended Users and Uses of Appraisal.** In accordance with applicable professional appraisal standards, each appraisal report will identify the client, any additional intended users, and the intended use(s) of the appraisal. Valbridge Property Advisors | Charleston shall have no responsibility, obligation or liability to any party who is not identified as the client or as an additional intended user in the appraisal report or for any uses of an appraisal that are not identified in the report. Any party who is not the client or an intended user is not entitled to use or rely on the appraisal without the express written consent of Valbridge Property Advisors | Charleston, notwithstanding that such a party may receive a copy of the report for compliance or informational purposes.
6. **Independence of Appraisal Services.** The services performed under this Agreement will be delivered in a manner that is independent, impartial and objective. Valbridge Property Advisors | Charleston's

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fees and Client's obligation to pay are not contingent on the value of the property, any other assignment results, the funding of any loan, or the outcome of any dispute or litigation. Any opinion expressed about the potential outcome of a matter or case are not guarantees of the outcome.

7. **Confidentiality**. Valbridge Property Advisors | Charleston and its Personnel will comply with all confidentiality duties imposed by applicable law and professional standards. Client agrees that Valbridge Property Advisors | Charleston may disclose the appraisal report, assignment results and other information relating to an appraisal, including information which may be considered confidential under applicable professional standards, to third parties as required by law or as necessary for compliance with professional standards. Client further consents to and authorizes Valbridge Property Advisors | Charleston to disclose the appraisal report, assignment results and other information relating to an appraisal, including information which may be considered confidential under applicable professional standards, as reasonably necessary to defending or responding to threatened or actual legal or regulatory actions or for insurance coverage of such matters.
8. **Testimony in Court or Other Proceedings.** Unless otherwise stated in this Agreement, Client agrees that Valbridge Property Advisors | Charleston's engagement under this Agreement does not include Valbridge Property Advisors | Charleston's or its Personnel's participation in or preparation for any oral or written testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment. The client will not designate or disclose Valbridge Property Advisors | Charleston or any of its Personnel as an expert witness in any court, arbitration or other proceeding without the prior written consent of Valbridge Property Advisors | Charleston.
9. **Subpoenas and Testimony.** In the event that Valbridge Property Advisors | Charleston or any of its Personnel is compelled by subpoena or other legal or administrative process to provide testimony or produce documents relating to the appraisal or services under this Agreement, whether in court, deposition, arbitration or any other proceeding, Valbridge Property Advisors | Charleston shall provide notice thereof to Client and Client agrees that Valbridge Property Advisors | Charleston or any of its Personnel may disclose such information as required to comply with such process and to compensate Valbridge Property Advisors | Charleston for the reasonable time incurred in connection with preparation for and provision of such testimony and/or documents at Valbridge Property Advisors | Charleston's rates in effect at that time and reimburse its reasonable actual expenses.
10. **Withdrawal Prior to Completion.** Valbridge Property Advisors | Charleston may terminate its rendition of services for the assignment(s) contemplated under this Agreement and withdraw without penalty or liability before completion or reporting of the appraisal in the event that it determines, at its sole discretion, that incomplete information was provided to Valbridge Property Advisors | Charleston prior to the engagement, that Client or other parties have not or cannot provide documentation or information necessary to Valbridge Property Advisors | Charleston's analysis or reporting, that conditions of the subject property render the original anticipated scope of work inappropriate, that Valbridge Property Advisors | Charleston becomes aware that a conflict of interest has arisen, or that Client has not complied with its payment obligations under this Agreement.
11. **Third-Party Beneficiaries of Agreement.** The Personnel of Valbridge Property Advisors | Charleston, VPA, its subsidiaries and their Personnel, and each franchisee and licensee of VPA assisting or providing any services in connection with the services to be provided under this Agreement and each

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of such franchisee's and licensee's Personnel (each a "**Third-Party Beneficiary**") shall each be an express third-party beneficiary of this Agreement and entitled to all of the rights and protections of and applicable to Valbridge Property Advisors | Charleston, and the limitations applicable to the Client, set forth herein (including, without limitation, the provisions regarding Intended Users and Uses of Appraisal, Maximum Time Period for Legal Actions, Mutual Limitations of Liability, Indemnification, Subpoenas and Testimony, Unauthorized Use or Publication, No Responsibility for Certain Conditions and Arbitration). Without limiting the foregoing, although VPA and its subsidiaries will provide no services under this Agreement, in the event of any legal claim or dispute, the following protections and limitations shall apply for the benefit of each Third-Party Beneficiary: Responsibility for Services, Intended Users and Uses of Appraisal, Maximum Time Period for Legal Actions, Mutual Limitations of Liability, Indemnification, Subpoenas and Testimony, No Responsibility for Certain Conditions and Arbitration, and no waiver, modification or amendment of such provisions shall apply to any Third-Party Beneficiary, unless such waiver, modification or amendment is in writing and executed by such Third-Party Beneficiary. There are no other third-party beneficiaries of this Agreement, or the services performed under this Agreement.

12. **No Unauthorized Use or Publication.** No part of an appraisal report or the opinions or conclusions stated in a report may be published or used in any advertising materials, property listings, investment offerings or prospectuses, or securities filings or statements without Valbridge Property Advisors | Charleston's prior written authorization. If Client publishes or uses the report or Valbridge Property Advisors | Charleston's work product without such authorization or provides the report or other work product for unauthorized use or publication, Client agrees to indemnify and hold Valbridge Property Advisors | Charleston and its Personnel harmless from and against all damages, liabilities, losses, causes of actions, expenses, claims and costs, including attorneys' fees, incurred in the investigation and/or defense of any claim arising from or in any way connected to the unauthorized use or publication.
13. **No Responsibility for Certain Conditions.** Notwithstanding that a report may comment on, analyze or assume certain conditions, unless otherwise stated in the report, Valbridge Property Advisors | Charleston and its Personnel shall have no responsibility for investigating and shall have no responsibility or liability for matters pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) flood zones, earthquake zones, surveys, property lines or boundaries pertaining to the property; (c) the property's compliance with local, state or federal zoning, planning, building, occupancy permits, disability access, life safety and environmental laws, regulations and standards; (d) building permits and planning approvals for improvements on the property; (e) structural or mechanical soundness or safety; (f) contamination, mold, pollution, asbestos, storage tanks, subsoil conditions, animal or vermin infestations and hazardous conditions affecting the property; and (f) other conditions and matters for which real estate appraisers are not customarily deemed to have professional expertise. Unless otherwise noted, the appraisal will value the property as though free of pollution, hazardous materials or other contamination of any kind. Valbridge Property Advisors | Charleston will conduct no hazardous materials or contamination inspection of any kind.
14. **Maximum Time Period for Claims and Proceedings.** Unless the time period is shorter under applicable law and except for claims for indemnification pursuant to Section 19, each claim, cause of action, or other proceeding concerning or relating to this Agreement, or the services or the results of

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the services provided hereunder (each being a "**Claim**") between Client and Valbridge Property Advisors | Charleston shall be filed (whether in court or in an applicable arbitration tribunal), within two (2) years from the date of delivery to Client of the appraisal report to which the claims or causes of action relate or, in the case of acts or conduct after delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall: (a) not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages, and (b) apply to all non-criminal claims or causes of action of any type, except for intentional fraud or intentionally wrongful conduct.

15. **Mutual Limitations of Liability.** Professional standards for the performance of real estate appraisals require that appraisers perform their services independently, impartially, and objectively. Clients and other users of appraisals often have separate legal or regulatory obligations imposed on them in relation to the appraisal process. The provisions of this section are designed to assure that an appraiser can render appraisal services in compliance with professional standards for reasonable compensation and to assure that clients and users can comply freely with their own professional and legal obligations, and any modifications hereof must be in writing and signed by the parties.
    a. **Limitations of Liability.** To the fullest extent permitted by applicable law, the maximum liability of Valbridge Property Advisors | Charleston and its Personnel to Client or to any third-party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) and of Client to Valbridge Property Advisors | Charleston for any Claim shall be limited to the total compensation actually paid to Valbridge Property Advisors | Charleston for the appraisal or other services that are the subject of the Claim.
    This limitation of liability extends to all types of Claims, whether in contract or tort, but excludes: (i) claims/causes of action for intentionally fraudulent or criminal conduct, intentionally caused injury, or unauthorized use or publication of the appraisal or work product or (ii) claims/causes of action by Valbridge Property Advisors | Charleston for the collection of unpaid compensation for the appraisal or other services (for which the maximum recovery shall be the total amount unpaid and owing to Valbridge Property Advisors | Charleston, plus applicable interest and late charges), or (iii) claims, causes of action, or other proceedings by Valbridge Property Advisors | Charleston or its Personnel against Client in accordance with Section 19 (each an "Indemnification Claim"), or for publication of any report other than as may be expressly permitted by this Agreement (each a "Publication Claim").
    b. **No Special or Consequential Damages.** Except in the case of an Indemnification Claim or a Publication Claim, neither Valbridge Property Advisors | Charleston/its Personnel nor Client shall be liable to one another or to any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) claiming by or through any of them or as a result of an appraisal or the matters set forth in this Agreement for special or consequential damages, including, without limitation, loss of profits, prospective business opportunities, or damages caused by loss of use of any property, regardless of whether arising from negligence or a breach of this Agreement or otherwise, and regardless of whether a party was advised or knew of the possibility of such damages.
    c. **Application to Other Parties.** The limitations of liability in this section shall also apply to Claims against a Third-Party Beneficiary.

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16. **No Assignment of Claims.** No rights under this Agreement and no Claim may be assigned by any party, except: (i) if set forth in the scope of services or (ii) with regard to the collection of a bona fide existing debt for payment for the services.
17. **Internal Compliance Reviews.** The appraisal or other work product and files may be disclosed to and subject to evaluation by Valbridge Property Advisors, Inc. for internal compliance purposes. Such evaluations do not establish any responsibility to Client or any other parties. Client consents to disclosure of information relating to the appraisal for that purpose.
18. **Arbitration.** Except for the Claims described hereinbelow, each Claim shall be resolved by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The place of arbitration shall be a mutually agreed location within the state in which the subject property is located. This arbitration requirement shall not apply to any Indemnification Claim, Publication Claim, or any Claim for monetary damages under $5,000, or for collection of amounts due pursuant to this Agreement and not timely or fully paid.
19. **Indemnification.** Client will defend, indemnify and hold Valbridge Property Advisors | Charleston and its Personnel (each being an "**Indemnified Party**") harmless from and against any liabilities, damages, obligations, costs, and expenses (including attorneys' fees) arising out of or suffered by an Indemnified Party from or in connection with any claim, cause of action, or other proceeding brought by a third party (a "**Third-Party Action**") where such Third-Party Action arises in connection with, results from, or is based in whole or in part upon: (a) publication of the appraisal report or all or any part of its content in a manner inconsistent with the terms of this Agreement, (b) use or reliance on the appraisal by a person, entity, or association not identified as an intended user, unless Valbridge Property Advisors | Charleston has consented in writing to adding such person as an intended user, (c) Client's provision of inaccurate information or documentation, (d) Client's provision of an incomplete copy of the appraisal report to any person, entity, or association, or (e) Client's use or provision of the appraisal for a purpose other than its identified intended use.
20. **Governing Law and Jurisdiction.** This Agreement and each Claim shall be governed by the law of the state in which Valbridge Property Advisors | Charleston's office performing the assignment is located, exclusive of that state's choice of law rules. Client and Valbridge Property Advisors | Charleston agree that, except for Indemnification Claims and Publication Claims, each Claim and each legal proceeding to enforce an arbitration award entered pursuant to the arbitration provision of this Agreement, shall be brought in a state or federal court having jurisdiction over the location of the Valbridge Property Advisors | Charleston's office performing the assignment, and the parties hereby waive any objections to the personal jurisdiction or venue of such court.
21. **Severability.** If any provision of this Agreement is held, in whole or part, to be void, unenforceable, or invalid for any reason, the remainder of that provision and the remainder of the entire Agreement shall be severable and remain in full force and effect.
22. **Execution of Agreement.** Execution of this Agreement and delivery of an executed copy by any party by electronic means will be as effective as delivery of a manually executed copy by such party. If any or all off services described in this Agreement are performed at Client's request or direction, but prior to or without Client's execution of the Agreement, the terms and conditions of this Agreement, including Client's obligation to pay, shall still apply.

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23. **Entire Agreement and Modifications.** This Agreement contains the entire agreement of the parties. No other agreement, statement or promise made on or before the effective date of this agreement will be binding on the parties. This Agreement may only be modified by a subsequent agreement of the parties in writing signed by all the parties.
24. **Survival.** Sections 0, 6, 8 through 10, and 12 through 23 of these Terms and Conditions shall survive and continue to be applicable after completion of the services described herein.

General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Charleston will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Charleston is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining whether the date of value requested by Client is appropriate for Client's intended use.
10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.

12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Charleston and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Charleston.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.

23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.

25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the client, the appraiser will submit a revised report for an additional fee.

26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the client, the appraiser will submit a revised report for an additional fee.

27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences upon request of the client the appraiser will submit a revised report for an additional fee.

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28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.

29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.

30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.

33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.

34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

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35. You and Valbridge Property Advisors | Charleston both agree that any dispute over matters in excess of $5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Charleston and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Charleston or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Charleston for this assignment, and under no circumstances shall any claim for consequential damages be made.

36. Valbridge Property Advisors | Charleston shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Charleston. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Charleston and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Charleston harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Charleston in such action, regardless of its outcome.

37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Charleston. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.

38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

41. The global outbreak of a "novel coronavirus" (known as COVID-19) was officially declared a pandemic by the World Health Organization (WHO). It is currently unknown what direct, or indirect, effect, if any, this event may have on the national economy, the local economy or the market in which the subject property is located. The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of this event, or any event, subsequent to the effective date of the appraisal.

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Certification – Pledger M. Bishop, III

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned Pledger M. Bishop, III has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Pledger M. Bishop, III has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to those signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Pledger M. Bishop, III completed the continuing education program for Designated Members of the Appraisal Institute.

GENERAL ASSUMPTIONS & LIMITING CONDITIONS

Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 7th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the "as is" phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an "as is" value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but that are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Bulk Value

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction. (Dictionary)

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security, [amenities,] and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

An attached, detached, or stacked unit within or attached to a structure with common areas that are held as tenants in common (an undivided interest) with other owners in the project. The units can be residential, commercial, industrial, or parking spaces or boat docks. These units are commonly defined by state laws in their locations. Because units can be stacked on top of other units, these units can be defined both vertically and horizontally. (Dictionary)

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may

permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service (DCR = NOI÷I_m), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date.

In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation;
3. Both the buyer and seller are acting prudently and knowledgeably;
4. The seller is under compulsion to sell;
5. The buyer is typically motivated;
6. Both parties are acting in what they consider to be their best interests;
7. An adequate marketing effort will be made during the exposure time;
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. (Dictionary)

Double Net (Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net lease is defined as a lease in which the tenant is responsible to pay both property taxes and premiums for insuring the building(s). (Valbridge)

(The market definition of a double net lease varies depending on the market)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

1. The date on which the appraisal opinion applies. (SVP)
2. The date to which an appraiser's analyses, opinions, and conclusions apply; also referred to as date of value. (USPAP, 2020-2021 ed.)
3. The date that a lease goes into effect. (Dictionary)

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings.

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or

index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause, expense recovery clause or stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

Exposure Time

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP, 2020-2021 ed.)

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. In essence, floor common area represents all of the area on the floor that is common to that respective floor with the exception of those areas that penetrate through the floor, such as the elevator shaft and stairwell. The significant point to be made is that floor common area is not part of the tenant's usable area. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*. (Dictionary)

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business.* (Dictionary)

Gross Building Area (GBA)

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

Gross Sellout Value (Sum of the Retail Values)

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sale prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values, aggregate retail selling price or sum of the retail values.* (Dictionary)

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use of for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP)

Insurable Value (Replacement Cost for Insurance Purposes)

The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design, and layout for insurance coverage purposes guaranteeing that damaged property is replaced with new property (i.e., depreciation is not deducted). (Dictionary)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest (Leasehold Estate)

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

See also Positive Leasehold and Negative Leasehold.

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market under all the conditions requisite to a fair lease transaction, the lessee and the lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

1. Lessee and lessor are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
4. The rent reflects specified terms and conditions, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, and tenant improvements (TIs). (Appraisal Institute)

Market Value

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary; 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation)

Master Lease

1. A lease in which a part or the entire property is leased to a single entity (the master lessee) in return for a stipulated rent. The master lessee then subleases the property to multiple tenants.
2. The first lease in a sandwich lease. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease, net net lease, partial net lease, or semi-gross le*ase. (Dictionary)

Negative Leasehold

A lease situation in which the market rent is less than the contract rent. (Dictionary)

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (*TOE/EGI*); the complement of the net income ratio, i.e., *OER = 1 – NIR* (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common or easement. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Percentage Lease

A lease in which the rent or some portion of the rent represents a specified percentage of the volume of business, productivity, or use achieved by the tenant. (Dictionary)

Positive Leasehold

A lease situation in which the market rent is greater than the contract rent. (Dictionary)

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy. (Dictionary)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make that claim junior, or subordinate, to the claims of another party. (Dictionary)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

TPO

Thermoplastic polyolefin, a resilient synthetic roof covering.

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease, net net net lease, or fully net lease*. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use

1. The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned. (FASB Accounting Standards Codification, Master Glossary)
2. Formerly used in valuation practice as a synonym for *contributory value* or *use value*. (Dictionary)

VTAB (Value of the Total Assets of a Business)

The total amount that the real property, tangible personal property, and intangible property assets of a business would sell for in an asset-based transaction. (Dictionary)

Qualifications

Valbridge
PROPERTY ADVISORS

INDEPENDENT VALUATIONS FOR A VARIABLE WORLD

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kfinkelstein@valbridge.com

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Mount Pleasant, SC 29464

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South Carolina
North Carolina
Georgia
Tennessee
Virginia
West Virginia

EDUCATION
Bachelor of Science
Business Administration
University of South Carolina

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Karl P. Finkelstein, MAI

Senior Managing Director
Valbridge Property Advisors | Charleston

MEMBERSHIPS & AFFILIATIONS

Urban Land Institute

- Member

Capital Markets Conference

- Board Member

Appraisal Institute, Member

- MAI Designation, 2006
- South Carolina Chapter President, 2015
- SC Chapter 1st Vice President, 2014
- SC Chapter 2nd Vice President, 2013
- SC Chapter Treasurer, 2012
- SC Chapter Secretary, 2011

APPRAISAL INSTITUTE & RELATED COURSES

- Income Capitalization 310, 2001
- General Applications 320, 2000
- Standards Part A 410, 2001
- Standards Part B 420, 2001
- Advanced Income Capitalization 510, 2002
- Commercial Report Writing 540, 2003
- Highest and Best Use Analysis 520, 2003
- Adv Sales Comparison, Cost Approach 530, 2003
- Leadership and Development Conference, 2004
- Advanced Applications 550, 2004
- Leadership & Development Conference, 2005
- Leadership & Development Conference, 2006

EXPERIENCE

Valbridge Property Advisors | Charleston

- Senior Managing Director, 2013-Present

Valbridge Property Advisors, Inc.

- Vice President of Marketing and Business Development, 2015-present
- Member, Board of Directors, 2013-2015

Atlantic Appraisals, LLC

- Principal, 2005 –2013

Appraisal/valuation and consulting assignments include: apartment buildings; retail buildings and shopping centers; office buildings; industrial buildings; religious and special purpose properties including schools, churches and cemeteries; hotels and motels; residential subdivisions; and vacant industrial, commercial and residential land.

In the past 36 months Karl Finkelstein, MAI has appraised over 25 multi-family housing projects and 24 hospitality/lodging projects.

Valbridge PROPERTY ADVISORS

INDEPENDENT VALUATIONS FOR A VARIABLE WORLD

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President & CEO – Valbridge Property Advisors Inc.

Senior Managing Director
Valbridge Property Advisors | Charleston

MEMBERSHIPS & AFFILIATIONS

Appraisal Institute, Member

- **2022 President of The Appraisal Institute**
- 2021 President Elect
- 2022 Vice President
- AI-GRS Designation, 2018
- MAI Designation, 1995
- SRA Designation, 1989
- Chair General Demonstration Appraisal Grading Panel, 2017-2020
- Audit Committee Member, 2018-2019
- Edward W "Lalo" Adams Outstanding Board Service Award, 2018
- AI Presidents Award, 2017
- Region IX Director, 2014-2018

National Association of Realtors

- CRE Designation, 2003

Charleston Trident Board of Realtors

- Board of Director Multiple Listing System
- Board of Realtors Professional Standards Committee
- Board of Realtors Grievance Committee

Elder Mount Pleasant Presbyterian Church

Member Charleston County Board of Assessment Appeals, 1993-1996

EXPERIENCE

Valbridge Property Advisors| Charleston - Senior Managing Director,2013-Present

Atlantic Appraisals, LLC – Associate 1990-1995 - Principal 1995 – 2013

Appraisal Consultants, Inc – 1986 – 1990

Charleston County Assessor's Office – 1984 - 1986
Testified in US HFSC Hearing Chaired by Representative Maxine Waters - 2022

Recognized as Expert Witness in various Courts of Law

Experienced in valuation of various commercial and residential Real Estate property including property valuations for Preservation and Conservation Easements, Valuation Review and Consulting assignments, and Valuations and Consultation for Property Tax Appeal

Valbridge
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FAST FACTS

COMPANY INFORMATION

- Valbridge is North America's largest independent commercial appraisal firm.
- Valbridge provides custom appraisal reports in the U.S., Canada, and Puerto Rico.
- Valbridge specializes in appraising all types of real property.
- Valbridge provides independent valuation services. We are NOT owned by a brokerage firm or investment company.
- Every Valbridge office is overseen by a Senior Managing Director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by local offices.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market, and other bulk-property engagements.

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Huntsville, AL 35801
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4732 Woodmere Blvd.
Montgomery, AL 36106
(334) 277-5077

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San Ramon, CA 94583
(925) 327-1660

825 Colorado Blvd., Ste. 201
Los Angeles, CA 90041
(626) 486-9327

17822 17th St., Ste. 211
Tustin, CA 92780
(714) 449-0852

775 Sunrise Ave., Ste. 260
Roseville, CA 95661
(916) 361-2509

1530 The Alameda, Ste. 100
San Jose, CA 95126
(408) 279-1520

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(303) 867-1935

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301 Almeria Ave., Ste. 350
Coral Gables, FL 33134
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3780 Burns Rd., Ste. 4
Palm Beach Gardens, FL 33410
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3033 Riviera Dr., Ste. 106
Naples, FL 34103
(239) 514-4646

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Idaho Falls, ID 83402
(208) 534-5505

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Indianapolis, IN 46220
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9401 Williamsburg Plaza, Ste. 204
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Beaufort, SC 29902
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Memphis, TN 38120
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St. George, UT 84770
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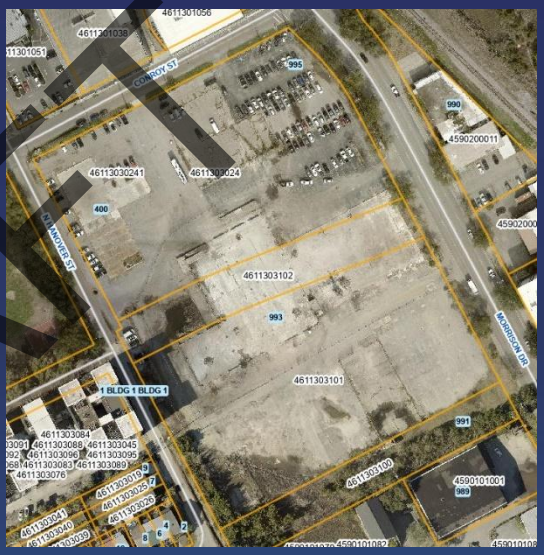
Appraisal Report

Morrison Drive County Properties
993-995 Morrison Drive
Charleston, Charleston County, South Carolina 29403

Report Date: October 3, 2025



DRAFT

FOR:

City of Charleston
Mr. Josh Martin
Special Advisor
80 Broad Street
Charleston, South Carolina 29401

Valbridge Property Advisors | Charleston

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Valbridge File Number:
SC01-25-0761-000

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October 3, 2025

Karl P. Finkelstein MAI, AI-GRS
843-884-1266 x116
kfinkelstein@valbridge.com

Mr. Josh Martin
Special Advisor
City of Charleston
80 Broad Street
Charleston, South Carolina 29401

RE: Appraisal Report
Morrison Drive County Properties
993-995 Morrison Drive
Charleston, Charleston County, South Carolina 29403

DRAFT

Dear Mr. Martin:

In accordance with your request, an appraisal of the referenced property was prepared. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to the value opinions. This letter of transmittal does not constitute an appraisal report and the rationale behind the value opinion(s) reported cannot be adequately understood without the accompanying appraisal report.

The referenced property is on the west side of Morrison Drive and to the south of Romney Street and is further identified as tax parcel numbers 461-13-03-101, 461-13-03-102 & 461-13-03-024. The three parcels are described as follows:

- Lot D: 461-13-03-024 - 995 Morrison Drive, 3.26 acres;
- Lot B: 461-13-03-101 - 993 Morrison Drive, 3.17 acres;
- Lot C: 461-13-03-102 – "Laurel Island Access" 0.79 Acres

As a single parcel, they total 7.22 acres or 314,503 square feet.

Lots D and B are currently owned by Charleston County. They are separated by Lot C which is owned by LRA Promenade, LLC who was originally slated to develop Laurel Island across Morrison Drive northeast of this property. Lot C was purchased to provide the developers with an extension of Cool Blow Street to a planned bridge for access to Laurel Island.

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Laurel Island was formerly used as a household waste landfill and a dredge spoil at separate times through the early 20th century, and when the landfill was closed, it was capped. Laurel Island has been the subject of several development proposals over the past 20 years and in September 2021, a development agreement between the owners of Laurel Island, Charleston County, and The City of Charleston was finalized.

The intent of the plan was to enable a strong connection to the environment by establishing view corridors to the water, incorporating public parks, docks and ballfields on the water's edge, and providing a pedestrian path that encircles the entire island. Other key features of the Master Plan included establishing new height districts, an emphasis on bicycle transportation as well as the pedestrian experience, enhancements and connections to public transportation, a diverse mix of uses, establishing an independent architectural review board, and the inclusion of affordable housing.

As such, the various properties a part of the Laural Island Development (including Lots B, C and D) were rezoned, and all are part of the Laurel Island PUD. This allowed for "Mixed-Use Zoning", consistent with all permitted, conditional, and special exception uses provided for in the General Business and Upper Peninsula zoning classifications and any overlay districts thereon, as set forth in the City of Charleston Zoning Ordinance Article 2, Part 3, as amended through August 19, 2020.

There is also a workforce housing requirement in the PUD as follows: "10% of all dwelling units on the Laurel Island Site will be set aside as workforce housing at all times and that at least an additional 10% of completed dwelling units on the Laurel Island Site will be set aside as workforce housing for 10 years from the lease date for such workforce housing units".

Finally, Lots B, C and D are subject to an overlay district known as the "Tech Corridor". The intent of the Tech Corridor "TC" overlay zone is to enable high technology and technology-related industries to anchor new development in the district. The City deems it necessary to provide additional protections to ensure these key properties are used predominately for tech office uses. Within this overlay zone, specific types of land uses are permitted only with the approval of a special exception and certain uses are specifically prohibited.

DRAFT

One such example of this allowed use is the adjacent *Charleston Tech Center,* a six-story, state of the art-office-building, a City of Charleston parking garage, and a linear public park. The office building's ground floor was designed to allow for a mix of commercial retail spaces. Charleston Digital Corridor's Flagship 3 business incubator anchors one floor. The top floor includes a rooftop terrace for events. The seven-story, 800-space garage will serve the future high-density, tech-centric Innovation District in the upper peninsula area of downtown Charleston.

The "TC' overlay is restrictive on allowable uses. According to the City of Charleston, residential uses cannot exceed 50% of the overall program, and any retail uses are limited to no more than 25,000 square feet. These restrictions have been considered in our valuation analysis and conclusion herein.

Since the properties are not owned by the same entity, are not contiguous in terms of ownership, and have different highest and best uses independently of each other, we have appraised them as individual properties and then added the conclusions together. That conclusion is then discounted to present value to reflect market value as a single property to a single purchaser.

Originally engaged to appraise the subject property, as is, with the LIPD in place as well as the Tech Overlay. Subsequently, we were asked to consider the value of the property assuming the Tech Overlay was not in place. Finally, we were also asked to consider the value of the property assuming there were the following workforce housing restrictions in place:

Potential Property Restrictions (Workforce Housing Limits)

% Total Site	Limits
20%	Not to Exceed 120% AMI
10%	Not to Exceed 100% AMI
10%	Not to Exceed 80% AMI
10%	Not to Exceed 60% AMI
50%	Total residential Units subject to affordability limits (**workforce housing)

There are maximum rental restrictions in place that limit what can be charged per apartment, inherently limiting gross rents charged and net operating income earned. Because construction costs are constant, the only other area with variability is land value. In some cases, the difference between market value and the restricted rents value are offset by tax credits that are sold to investors or some sort of subsidy to incentivize a developer. For purposes of this appraisal, we don't have any knowledge of available credits and have valued the property accordingly.

This report constitutes and updates to our original report, with additional value scenarios considered.

The analyses, opinions, and conclusions were developed, and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the requirements of our client.

The client in this assignment is City of Charleston and the intended user of this report is City of Charleston and no others. The intended use is to aid in internal decision making purposes and purchase negotiations. The value opinions reported herein are subject to the definitions, assumptions, limiting conditions, and certifications contained in this report.

The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- None

Hypothetical Conditions:

- For one of our value scenarios, we have made the assumption that the Tech Overlay District is not in place and has no effect on the development of the site.
- For another of our value scenarios, we have made the assumption that the Workforce Housing requirements are in place limiting rental potential.

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Based on the analysis contained in the following report, our value conclusions are summarized as follows:

Value Conclusions

Component	Market Value	Market Value Assuming No TC Overlay	Market Value with Workforce Housing Requirements
Value Type	Market Value	Market Value	Market Value
Real Property Interest	Fee Simple	Fee Simple	Fee Simple
Effective Date of Value	September 15, 2025	September 15, 2025	September 15, 2025
Value Conclusion	**$22,870,000**	**$28,250,000**	**$22,610,000**
	$72.72 PSF	**$89.82 PSF**	**$71.89 PSF**

Respectfully submitted,
Valbridge Property Advisors | Charleston

Karl P. Finkelstein, MAI, AI-GRS
Senior Managing Director
South Carolina Certified General CG 3396
Expires 06/30/2026

Pledger M. "Jody" Bishop III, MAI, SRA, AI-GRS, CRE
Senior Managing Director
South Carolina Certified General CG 795
Expires 6/30/2026

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Summary of Salient Facts

Summary of Salient Facts

Property Identification

Property Name	Morrison Drive County Properties
Property Address	993-995 Morrison Drive Charleston, Charleston County, South Carolina 29403
Latitude & Longitude	32.807466, -79.942735
Census Tract	6931.02
Tax Parcel Numbers	461-13-03-101 & 461-13-03-024
Property Owners	County of Charleston

Site

Zoning	Planned Development and Tech Corridor Overlay Zone (PUD and TC)
FEMA Flood Map No.	45019C0512K
Flood Zone	Zone A
Gross Land Area	7.22 acres - 314,503 sf

Valuation Opinions

Highest & Best Use - As Vacant	PUD/Mixed Use or Technology Overlay
Reasonable Exposure Time	6 to 12 months
Reasonable Marketing Time	6 to 12 months

Value Indications

Approach to Value	Market Value	Market Value Assuming No TC Overlay	Market Value with Workforce Housing Requirements
Sales Comparison	$22,870,000	$28,250,000	$22,610,000
Cost	Not Developed	Not Developed	Not Developed
Income Capitalization	Not Developed	Not Developed	Not Developed

Value Conclusions

Component	Market Value	Market Value Assuming No TC Overlay	Market Value with Workforce Housing Requirements
Value Type	Market Value	Market Value	Market Value
Real Property Interest	Fee Simple	Fee Simple	Fee Simple
Effective Date of Value	September 15, 2025	September 15, 2025	September 15, 2025
Value Conclusion	**$22,870,000**	**$28,250,000**	**$22,610,000**
	$72.72 PSF	**$89.82 PSF**	**$71.89 PSF**

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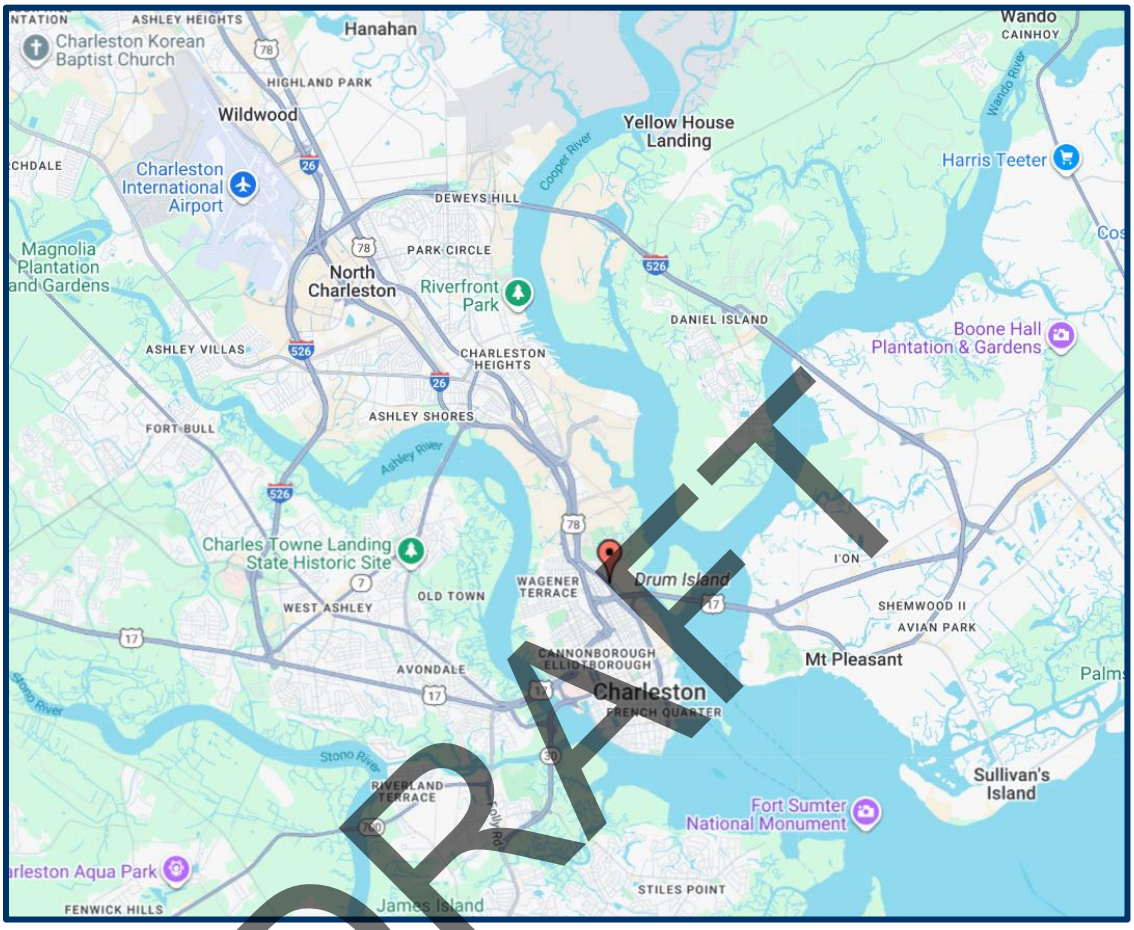
Aerial and Front Views

AERIAL VIEW

FRONT VIEW

DRAFT

Location Map



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Introduction

Client and Intended Users of the Appraisal

The client in this assignment is City of Charleston and the intended user of this report is City of Charleston. Under no circumstances shall any of the following parties be entitled to use or rely on the appraisal or this appraisal report:

i. The borrower(s) on any loans or financing relating to or secured by the subject property,

ii. Any guarantor(s) of such loans or financing; or

iii. Principals, shareholders, investors, members or partners in such borrower(s) or guarantors.

Intended Use of the Appraisal

The intended use of this report is to aid in internal decision making purposes and purchase negotiations.

Real Estate Identification

This property is at 993-995 Morrison Drive, Charleston, Charleston County, South Carolina 29403. It is further identified by the tax parcel numbers 461-13-03-101, 461-13-03-102 & 461-13-03-024.

Legal Description

ALL those certain pieces, parcels or lots of land, situate, lying and being in the City of Charleston, County of Charleston, State of South Carolina, shown and designated as **"LOT D"**, **"LOT A"**, **"LOT B"** and **"LOT C"** on a plat entitled "FINAL PLAT SHOWING THE SUBDIVISION OF TMS# 461-13-03-024 (7.94 ACRES) OWNED BY COUNTY OF CHARLESTON AND CREATING LOT A (0.72 ACRES), LOT B (3.17 ACRES), LOT C (0.79 ACRES) AND THE RESIDUAL LOT D (3.26 ACRES) LOCATED CITY OF CHARLESTON CHARLESTON COUNTY, S.C.", prepared by Kevin Thewes, PLS #21627 of Davis & Floyd, Inc., dated January 7, 2021, last revised January 25, 2021, and recorded February 4, 2021, in **Plat Book L21, Page 0036**, in the Office of the Register of Deeds for Charleston County, South Carolina, reference to which is hereby craved for a more complete description.

TMS NO. 461-13-03-024 (Lot D)
TMS NO. 464-13-03-100 (Lot A)
TMS NO. 464-13-03-101 (Lot B)
TMS NO. 464-13-03-102 (Lot C)

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Use of Real Estate as of the Effective Date of Value

As of the effective date of value, the property use was vacant land.

Use of Real Estate as Reflected in this Appraisal

The property use reflected in this appraisal is the same.

Ownership of the Property

According to Charleston County Property Records, title to the Lots B and D is in the name of County of Charleston and for Lot C it is in the name of LRA Promenade, LLC.

History of the Property

Property ownership has not changed within the past three years.

Active Listing/Offer/Contract

As of this date, this property was not being marketed for sale and there were no unsolicited offers or pending contracts for sale.

However, it is the intent of Charleston County to offer the property for sale to the public. We do not know LRA's intentions.

Type and Definition of Value

The appraisal problem is to develop an opinion of the market value of this property. Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale with the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *buyer and seller are typically motivated;*
- *both parties are well informed or well advised, and acting in what they consider their own best interest;*
- *a reasonable time is allowed for exposure in the open market;*
- *payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- *the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale*[1]

Please refer to the Glossary in the Addenda section for additional definitions of terms used in this report.

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Valuation Scenarios, Property Rights Appraised, and Effective Dates of Value

Value conclusions were developed under the following scenarios:

Valuation Scenario	Effective Date of Value
Current Market Value - Fee Simple Interest	September 15, 2025
Market Value - Fee Simple Interest - Assuming no TC Overlay	September 15, 2025
Market Value - Fee Simple Interest - with WF Housing Requirements	September 15, 2025

Date of Report

The date of this report is October 3, 2025.

[1] *FIRREA Code of Federal Regulations, Title 12, Part 34 Subpart C - 34.42, 1990; also Interagency Appraisal and Evaluation Guidelines, Federal Register / Vol.75, No. 237, 2010*

Assumptions and Conditions of the Appraisal

This appraisal assignment and the opinions reported herein are subject to the General Assumptions and Limiting Conditions contained in the report and the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results.

Extraordinary Assumptions

- None

Hypothetical Conditions

- For one of our value scenarios, we have made the assumption that the Tech Overlay District is not in place and has no effect on the development of the site.
- For another of our value scenarios, we have made the assumption that the Workforce Housing requirements are in place limiting rental potential.

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Scope of Work

The elements addressed in the Scope of Work are (1) the extent to which the property is identified, (2) the extent to which the property is inspected, (3) the type and extent of data researched, (4) the type and extent of analysis applied, (5) the type of appraisal report prepared, and (6) the inclusion or exclusion of items of non-realty in the development of the value opinion. These items are discussed as below.

Extent to Which the Property Was Identified

The three components of the property identification are summarized as follows:

- Legal Characteristics - The property was legally identified via plat, Charleston County assessor parcel number, site visit, Google Maps, Charleston County public records and client provided information.
- Economic Characteristics - The economic property characteristics were identified via information provided by the property owner, City of Charleston zoning information, CoStar market studies.
- Physical Characteristics - The physical property characteristics were identified via physical inspection of the subject site along with an examination of Charleston County Government Tax Map(s), Charleston County public record(s) of ownership over the past three years, applicable flood map(s) published by the Federal Emergency Management Agency (FEMA), site plans..

Extent to Which the Property Was Inspected

A general property inspection for real estate appraisal purposes was completed on September 15, 2025.

Type and Extent of Data Researched

The following data was researched and analyzed: (1) market area data, (2) property-specific market data, (3) zoning and land-use data, and (4) current data on comparable listings and transactions. Professionals familiar with the market/property type were also interviewed.

Type and Extent of Analysis Applied (Valuation Methodology)

Surrounding land use trends, the condition of any improvements, demand for the subject property, and relevant legal limitations were observed in the process of concluding a highest and best use. The property was then valued based on the highest and best use conclusion.

There are four primary methods available to develop a land value estimate: (1) sales comparison, (2) land residual method, (3) ground rent capitalization, and (4) subdivision development method (discounted cash flow). While other methods, such as extraction and allocation, are applicable under limited conditions, one or more of these approaches are used in most circumstances to derive an indication of land value.

- Sales Comparison Approach - In the sales comparison approach, value is indicated by recent sales and/or listings of comparable properties in the market, with the appraiser analyzing the impact of material differences in both economic and physical elements between this property and the comparable sales.

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- Direct Capitalization: Land Residual Method - The land residual methodology involves estimating the residual net income to the land by deducting from total potential income the portion attributable to the improvements, assuming development of the site at its highest and best use. The residual income is capitalized at an appropriate rate, resulting in an indication of land value.
- Direct Capitalization: Ground Rent Capitalization – A market derived capitalization rate is applied to the net income resulting from a ground lease. This can represent the leased fee or fee simple interest, depending on whether the income potential is reflective of a lease in place or market rental rates.
- Yield Capitalization: Subdivision Development Method – Also known as discounted cash flow analysis (DCF), the methodology is most appropriate for land having multiple lot development in the near term as the highest and best use. The current site value is represented by discounting the anticipated cash flow to a present value, taking into consideration all necessary costs of development, maintenance, administration, and sales throughout the absorption period.

All these approaches to value were considered. The availability of data and applicability of each approach to value within the context of the property characteristics, along with the needs and requirements of the client, were assessed. Based on this assessment, the sales comparison approach was developed.

Appraisal Conformity and Report Type

The analyses, opinions, and conclusions were developed and this report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute; and the requirements of our client. This is an Appraisal Report as defined by the Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2a.

Personal Property/FF&E

All items of non-realty are excluded from this analysis. The opinion of market value developed herein is reflective of real estate only.

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Regional and Market Area Analysis

REGIONAL MAP

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Overview

This property is in the city of Charleston, in Charleston County. It is part of the Charleston-North Charleston metropolitan statistical area (MSA), which is also known as the Trident Region. The original MSA consisted of the City of Charleston, but has since grown to the north, south, and west encompassing Charleston, Berkeley, and Dorchester Counties. It is the third largest metro area in the state and the 74th largest MSA in the US with a 2024 population of 869,940. The MSA is 100 miles southeast of Columbia (the Capital City), South Carolina; 85 miles south of Myrtle Beach, South Carolina; and about 100 miles north of Savannah, Georgia. There are two major highways, US 17 and US 52, that travel north-south and east-west respectively. The MSA is bisected by Interstate 26, which originates in Charleston and extends to the west through the State, and the western border of the MSA is Interstate 95 which bisects the eastern portion of the State running north and south from North Carolina and Georgia.

Charleston is the largest city in the U.S. state of South Carolina, the county seat of Charleston County, and the principal city in the. It is a peninsula that is approximately 5 square miles at the confluence of the Ashley, Cooper and Wando Rivers. The intersection of these three bodies of water form Charleston Harbor, one of the busiest seaports on the East Coast. Charleston is the heart of the "lowcountry."

Charleston was founded in 1670 as Charles Town, honoring King Charles II, at Albemarle Point on the west bank of the Ashley River (now Charles Towne Landing) but was relocated in 1680 to its present

site and within 10 years, it was the fifth-largest city in North America. Charleston adopted its present spelling with its incorporation as a city in 1783. Population growth in the interior of South Carolina influenced the relocation of the state government to Columbia in 1788, but Charleston remained among the ten largest cities in the United States through the 1840 census.

Tourism

Tourism is one of the largest industries in the MSA, with an annual economic impact of $14.03 billion and employing over 51,000 people in 2024. Charleston promotes itself as "America's Most Historic City" and attracts tourists who appreciate the historic architecture and character of the downtown area. The College of Charleston's Office of Tourism's study in 2024 revealed that Charleston welcomed 7.89 million visitors exceeding pre pandemic numbers. The same study showed that these visitors generated about $2.8 billion in labor earnings and spent an average of $1,105 per visitor per trip while generating $1.5 billion in lodging sales. Just under 32% of Charleston County sales can be attributed to tourism. According to the study, the 2024 tourism industry opened about 1,200 job opportunities.

The US Transportation Safety Authority at Charleston International Airport (TSA) announced record numbers of travelers through the airport with a record 6,290,000 in 2024. Colliers International produced a study that shows daily room sales at 70.6%.

Travel and hospitality brands still face an uncertain marketplace. The slow return of business travel and fewer meetings and events continue to have a significant negative impact on the industry. The growth of leisure travel by car represents a shift in the industry and the hospitality industry will have to evolve to meet those needs. Charleston benefits from its strategic position as a destination for leisure travel. The characteristics that make the Charleston area such a preferred visitor destination add to the lifestyle that stimulates a more comprehensive economic growth. A flourishing visitor market aids in maintaining a world class variety of retail, restaurants, and entertainment as well as amenities rarely found in a mid-size city. Local businesses benefit from the limitless choices of clients and employees.

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Port of Charleston

According to a study by the University of South Carolina's Darla Moore School of Business, the Port of Charleston is ranked first among the top 10 U.S. ports in container volume growth over the past decade. Cargo includes a wide array of containerized, breakbulk, and rolling stock.

In 2023, South Carolina State Ports Authority (SC SPA) port facilities in Charleston, Dillon, Georgetown, and Greer delivered $86.7 billion in annual statewide economic impact, $1.5 billion in annual State tax revenue and supports 260,020 (1 in 9) jobs across the state of South Carolina. Top commodities moved through Charleston port facilities include agricultural products, consumer goods, machinery, metals, vehicles, chemicals, and clay products. Likewise, in the Lowcountry, the Port has an impact of $10.7 billion with a labor income of $2.2 billion and supports 32,214.

In fiscal year 2023, it handled 2.6 million twenty-foot equivalent container units (TEUs) at Wando Welch Terminal, North Charleston Terminal, and Hugh K. Leatherman Terminal and 1.4 million pier containers.

In June, SC Ports handled 203,091 TEUs and 112,883 pier containers, up more than 3% year-over-year. Retail, advanced manufacturing, automotive and cold storage sectors continue to drive growth at the Port of Charleston.

In 2022, large port related improvements by SC SPA included achieving full utilization of Phase 1 of the Hugh K. Leatherman Terminal, the newest container terminal in Charleston country-in ten years and adding 700,000 TEU of capacity to the Port of Charleston. In addition, the Port deployed 15 ship-to-shore cranes with 155 feet of lift height at Wando Welch Terminal.

Following the Army Corps of Engineers completion of the Charleston Harbor Deepening Project (shipping channel depth to 52') in 2022, the SC SPA initiated construction on the rail-served Intermodal Facility on the former Navy Base and a related inner-harbor barge project.

The U.S. continues to see record import volumes as consumers spent more on retail goods than services during the pandemic. SC SPA handled 114,671 import containers 2021. Shippers and retailers can rely on SC SPA's efficient operations, cargo capacity and berth availability to keep goods moving through the Southeast supply chain. The global supply chain continues to recover from disruptions due to the pandemic. The slowdown in cargo velocity that we are currently experiencing due to SC SPA supply chain constraints is concerning.

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US Coast Guard

The Charleston Coast Guard Sector is in the southernmost part of the city that surrounds the waterfront area. This location ideally positions the Sector for its seagoing missions and for a variety of shore-based activities. The Charleston Sector oversees and manages three cutters, three Aids to Navigation (ATON) teams, and four small boat stations (located in Georgetown, Charleston, Tybee Island, GA, and Brunswick, GA). The Sector includes approximately 1,301 permanent active-duty personnel as well as 322 reserve officers and civilian employees. This translates to approximately 1,623 full-time equivalent (FTE) jobs.

The US Coast Guard (USCG) announced a master plan in February 2020 to invest heavily in Charleston by 2025 as an operational center with the potential to grow into the largest concentration of USCG assets and personnel. Charleston is currently home to a large concentration of USCG assets and personnel and, as the Port of Charleston became the deepest harbor on the East Coast in 2022, the maritime importance of the region for the US is magnified. The new Coast Guard base will likely consolidate elements of Coast Guard Sector Charleston, Coast Guard Station Charleston, and the Coast Guard Maritime Law Enforcement Academy. The Coast Guard intends to execute phased construction necessary over the next 10+ fiscal years to fully build out Base Charleston to support 10+ major cutters by 2030.

The total economic impact of the Coast Guard on South Carolina, including all operations, in-state procurement, and military and civilian payroll employment totals $261.6 million annually. This impact is associated with approximately 2,326 jobs and $114.9 million in labor income.

Joint Base Charleston

The Charleston Region contains the largest military presence in South Carolina with an annual economic impact of approximately $12.7 billion supported by 78,414 jobs. This includes Joint Base Charleston, the U.S. Coast Guard Sector Charleston, the Army Corps of Engineers, DoD contractors, military retirees and Veterans, portions of the South Carolina National Guard and the U.S. Army Reserve. As a result of recommendations from the 2005 Base Realignment and Closure study,

Charleston AFB and NWS Charleston were merged as Joint Base Charleston, effective October 1, 2010, one of twelve Joint Bases formed. Joint Base specializes as a logistics, transportation, training, and engineering hub.

Joint Base Charleston is comprised of over 23,000 non-contiguous acres and includes 22 miles of coastal shoreline and 34 miles of active rail. The base share runways with the Charleston International Airport and Boeing South Carolina. There are more than 1,800 facilities, 1,600 on base homes, childcare facilities, and a large medical clinic on both the Weapons Station and Air Base.

The total economic impact of Joint Base Charleston on South Carolina, including all operations, in-state procurement, and military and civilian payroll employment, totals $10.9 billion annually. This impact is associated with approximately 62,905 jobs and $4.5 billion in labor income.

Healthcare

The medical industry employs over 34,000 people among the MSA's nine hospitals and related support industry and has over 2,000 physicians. The Medical University of South Carolina (MUSC), Roper St. Francis Healthcare, Tenet Health Care and Trident Health System make up the second largest industry in the MSA and continue to draw national and international attention as world-class research and development institutions. The economic impact of the medical community is estimated at more than $5.6 billion.

MUSC is a leading research and teaching hospital which educates and trains more than 3,000 students and 850 residents a year. In 2021, for the seventh year in a row, US News & World Report named MUSC Health the No. 1 hospital in South Carolina. The University managed over $327.6 million in biomedical research funding in 2021 and has supported over 800 inventors and produced 1,500 inventions disclosures. MUSC focuses on a wide variety of areas which include cancer, community health, drug discovery, health disparities, inflammation and fibrosis, neuroscience, oral health, and stroke and spinal cord injury.

In the fall of 2022, Roper Saint Francis Healthcare announced it was moving its downtown hospital to a new centrally located medical campus in North Charleston with the plan for the facility to be fully operational by 2029. The hospital broke ground on the new facility in June of 2025. The new campus will occupy 27 acres near Interstates 26 and 526 and will allow better accessibility to patients living in Berkeley and Dorchester Counties as well as Charleston. The $1 billion project with be one of the largest and most advanced healthcare construction projects on the East coast will meet the healthcare needs of one of the fastest growing regions in the country. The ongoing project will employ 3,600 workers and a post economic impact of $2.5 billion annually to the region.

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Population

Trends in population are a significant indicator of a structural change within a region's economy. The rate of increase or decrease of an area's population has a direct effect on real estate values. Typically, population growth benefits businesses, creates jobs, and enhances all aspects of the local tax base. Since the supply of land is fixed, an increase in the population base will be reflected in higher demand for real estate. Naturally, this pattern of demand will be translated into value to the whole spectrum of property types.

Population characteristics relative to the MSA are presented in the following table.

Population

Area	Census Population (2020)	Current Population (2023)	Compound Annual Δ 2020 - 2023	Projected Population (2028)	Compound Annual Δ 2023 - 2028
United States	331,449,520	335,707,897	0.43%	343,238,675	0.44%
South Carolina	5,118,425	5,394,539	1.77%	5,702,418	1.12%
Charleston-North Charleston, SC (MSA)	799,636	859,469	2.43%	927,629	1.54%
Charleston County	408,235	433,062	1.99%	451,405	0.83%
Charleston Central CCD	33,645	38,984	5.03%	42,248	1.62%
Charleston city	150,599	163,302	2.74%	173,025	1.16%

Source: ESRI (ArcGIS)

As can be seen, total population for the state and municipality are projected to change annually at a rate of **0.86%** and **1.20%** per year respectively between 2023 and 2028. This should have a positive impact on the area.

Transportation

Major transportation routes in the MSA include Interstate 95 and Interstate 26 as well as US Highway 17 and US Highway 52/78.

With extensive renovations completed Charleston International Airport which is South Carolina's largest and busiest airport continues to set new records with more than 6 million travelers per year. In July of 2025, new ground was broken for the West Gate Expansion Concourse. This project will add four new gates at a cost of $105 million. This new concourse will include 40,000 SF of passenger space, 4,000 SF for dining, retail and amenities and 23,000 SF of operations space with the capabilities of international arrivals connected directly to the current federal inspection facility. The West Gate will be operational by November 2026. In addition, the project includes a new parking garage and car rental facility with a construction budget of $348 million. The airport is in North Charleston approximately 12 miles northwest of downtown Charleston, making it a central hub for the tri-county area.

For passenger rail, Amtrak has daily trains leaving and arriving at North Charleston. The Charleston Area Regional Transportation Authority (CARTA) connects Charleston-area transit riders to work, school, healthcare, tourist attractions and the airport.

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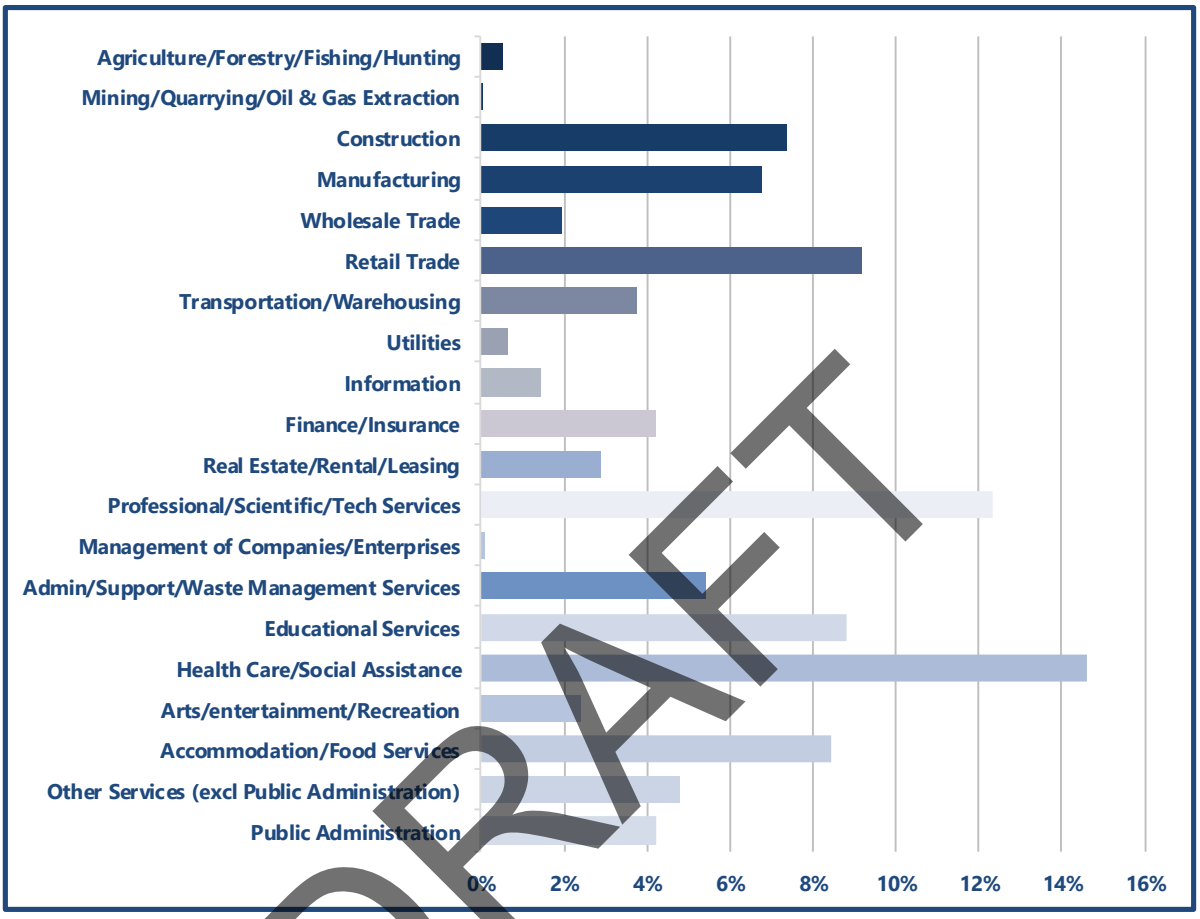
Employment

Distribution of employment by sector reflects the area's economic character. Employment by industry for the MSA is as follows, based on information provided by Site-to-Do-Business 2023 statistics:



Employment by Industry for Charleston County - Source: ESRI (ArcGIS)

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Traditionally, health care, retail trade, professional/scientific/tech services and manufacturing have been the dominant industries accounting for 44% of all employment in the MSA. The largest employers in the MSA are Roper St. Francis Healthcare with 6,000 employees and the Medical University of South Carolina with 14,000 employees and the largest manufacturer in the MSA is The Boeing Company with 5,700+ employees and specializes in aircraft manufacturing.

Industry

Charleston is known as a hub for automotive component manufacturing, vehicle assembly, and remanufacture/maintenance parts, and is home to more than 65 automotive manufacturers and suppliers including factories for Bosch, Mercedes-Benz, and Volvo providing more than 6,500 jobs. The SC SPA provides these manufacturers a convenient conduit to import and export products, providing global access to over 150 countries.

Bosch, an automotive parts manufacturer, is investing $260 million in its mobility-related production in Dorchester County. Adding 75,000 SF to its current facility and an additional 350 jobs, the expansion project will be finished by 2025.

Charleston raw materials manufacturers Nucor Steel-Berkeley (steel) and KapStone Charleston Kraft (paper and packaging), LLC, collectively provide over 2,000 jobs in the MSA. Additionally, vehicle manufacturers Volvo Cars of North America and Mercedes-Benz Vans/Daimler have promised facility developments of $500 million that are expected to be completed in mid-2025.

Leonardo DRS, through its subsidiary DRS Naval Power Systems is opening a $120 million facility in Berkeley County. The company is expected to create 58 new jobs.

The company will build a 140,000-square-foot manufacturing and test center at 1588 Bushy Park Road in Goose Creek.

Elbit Systems of America, LLC, a leading provider of high-performance products and system solutions that focus on defense, homeland security, commercial aviation and medical instrumentation broke ground on a 135,000 SF manufacturing facility in North Charleston in April of 2022. This will add 300 jobs to the community and have an economic impact of $280 million to the region.

Operating out of two locations on Palmetto Commerce Parkway in North Charleston, Cummins Turbo Technologies expansion will allow the company the flexibility to optimize its network between remanufactured and new turbocharger products; leverage manufacturing capabilities and capital in one geographic location; and improve cost competitiveness of both remanufactured and new turbos. The new $27 million manufacturing facility opened in October of 2022 and added 250 new jobs.

SHL Medical Ltd., a manufacturer of plastic components of disposable auto-injectors used in the medical and healthcare field, has plans to invest $90 million in its new facility on Palmetto Commerce Parkway. It will open mid-2024 and add 166 jobs.

Redwood Materials (producer and recycler of anode and cathode battery components for electric vehicles) will build a facility that spans 600 acres and costs $3.5 billion. The plant will be located in Ridgeville, SC and will employ 1,500. Located at the Camp Hall Commerce Park, Redwood broke ground in January.

The company said it will begin hiring in 2024 with a focus on roles primarily involved in site buildout, but expects its operational hiring ramp up to begin in 2025.

The Boeing campus in North Charleston currently builds all three versions of the Boeing 787 Dreamliner including the 787-10, the newest and longest in the family. The North Charleston campus has since expanded with the opening of the Boeing Research & Technology Center, which focuses on advanced manufacturing technology and composite fuselage manufacturing; and Propulsion South Carolina, for the design and assembly of the 737 MAX engine nacelle inlet. The Propulsion South Carolina team also designs the 737 MAX engine nacelle fan cowl and the 777X nacelle. In addition, Boeing has a 141-acre campus 10 miles north of the main campus where they manufacture 787 interior parts, including stow bins, closets, partitions, class dividers, floor-mounted stow bins used by flight attendants, overhead flight-crew rests, overhead flight attendant crew rests, video-control stations and attendant modules for 787s assembled in South Carolina.

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Technical Industry

The information technology and software sector has contributed significantly to local job growth. Charleston is currently home to more than 700+ tech companies. A recent study by the South Carolina Tech Council concluded that the Charleston-North Charleston MSA has an annual tech employment of 15.5 percent.

The Charleston Digital Corridor is a community-sourced initiative that attracts and promotes the region's tech economy with programs, products, and events. Leveraging the region's livability the Charleston Digital corridor uses community, talent, spaces, and capital to attract technology-based companies and assist with integrating them into the community. According to the Brookings Institution, the Charleston area has had a 29% increase in job growth in the last decade and a 45.7% increase in the Gross Metropolitan Product and is currently ranked at # 4 in overall growth in MSA's.

The 8th largest employer is Blackbaud, a software development company which provides nonprofit IT services for charities, corporate social responsibilities, and education communities. In 2019, Blackbaud completed construction of a $154 million-dollar, 360,000 square foot corporate headquarters building on Daniel Island and added an additional 300 employees. The software company has approximately 40,000 customers in 60 countries, including the UK, Australia, Canada and Ireland.

In March of 2024, Tech Giant Google announced the building of a $510 million and 231 acre data campus in Dorchester County at the Pine Hill Business Campus west of Summerville. This is the company's second location in the Charleston region.

Gnosis Freight (a supply chain and logistics software company) is investing $438,500 in a project that will complete 51 new jobs. The company doubled its existing facility in the Charleston Tech Center, the 7,000 SF office space offers additional room for the company to grow its data science, a software engineering and commercial teams.

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Unemployment

The following table exhibits current and past unemployment rates as obtained from the Bureau of Labor Statistics. Overall, the Region boasts one of the lowest unemployment rates for metropolitan statistical areas in the country at 2.5 percent.

Unemployment Rates

Area	YE 2018	YE 2019	YE 2020	YE 2021	YE 2022	2023[1]
United States	3.9%	3.7%	8.1%	5.3%	3.6%	3.6%
South Carolina	3.4%	2.8%	6.0%	3.9%	3.2%	3.0%
Charleston-North Charleston, SC (MSA)	2.8%	2.3%	5.8%	3.5%	2.8%	2.5%
Charleston County, SC	2.7%	2.2%	6.1%	3.5%	2.7%	2.5%
Charleston city, SC	2.5%	2.1%	5.8%	3.2%	2.6%	2.5%

Source: www.bls.gov *data not seasonally adjusted;* *[1]Annual - most recent for US, others lag by 1-2 mos.)*

Median Household Income

Total median household income for the region is presented in the following table. Overall, the MSA and county compare favorably to the state and the country.

Income

Area	2023 Median HH Income	2023 Average HH Income	2023 Per Capita Income
United States	$72,233	$104,831	$41,000
South Carolina	$71,689	$99,477	$41,165
Charleston-North Charleston, SC (MSA)	$88,738	$122,944	$51,202
Charleston County	$93,923	$135,799	$60,238
Charleston Central CCD	$78,305	$130,707	$60,392
Charleston city	$100,372	$139,299	$65,490

Source: ESRI (ArcGIS)

Conclusions

Positive economic growth has been achieved because of Charleston's dedication to economic development. The region is a popular tourist destination and a great draw for future business investment due to its natural beauty, world-class culture, and historic charm. Charleston provides the ideal advantages for company success with a rapidly expanding population, a technically skilled workforce, effective access to the global marketplace, and a varied portfolio of real estate possibilities.

The MSA continues to enjoy unheard-of economic expansion, with both large firms and start-ups profiting from the competitive global business environment. Over 150 firms in the Charleston region are owned by parent companies outside the U.S. These firms represent 30 countries and locally employ approximately 19,900 people. Charleston was recently ranked 9th among top U.S. metros for high FDI intensity, with foreign-owned firms offering 7.2% of jobs, compared to 5% for the U.S. by the Brookings Global Cities Initiative Report. The MSA's market is expected to grow at rates that are almost twice as fast as those in the state's and the nation's in the next few years.

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City and Neighborhood Analysis

NEIGHBORHOOD MAP

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Overview

Charleston is the county seat of Charleston County, and the principal city in the Charleston–North Charleston Metropolitan Statistical Area. The original Peninsula city lies just south of the geographical midpoint of South Carolina's coastline and is on Charleston Harbor, an inlet of the Atlantic Ocean formed by the confluence of the Ashley, Cooper, and Wando rivers. Charlston has an estimated population of 157,665 in July 2024, a 4.7% growth over the 2020 census

Known for its rich history, well-preserved architecture, distinguished restaurants, and hospitable people, Charleston is a popular tourist destination. The region is iconic for beautifully preserved period architecture, gardens, award-winning food, golf, upscale retail, and miles of pristine beaches. These are many of the reasons why Charleston repeatedly appears on “World’s Best” lists in Southern Living, Travel and Leisure, and Condé Nast Traveler.

Charleston was the first American city to be laid out with broad and straight streets in contrast to the narrow, twisting, cramped streets of Europe. In 1680 the rest of the settlement was brought to the Peninsula, and within a few years the population had grown to more than 1,000 people and the foundation of the historically rich city we have today was set into place. After 300 years of diverse history, Charleston is one of America’s most recognized, pristinely preserved architectural treasures.

Tourism and Attractions

Charleston's tourism industry set a record for economic impact in 2024 with $14.03 billion a 7.1% over 2023 and 8 million visitors. The Charleston International Airport had a record breaking 6.295 million travelers in 2024.

The City Market, which extends from East Bay Street four blocks west to Meeting Street, has been a vibrant part of the City of Charleston since the middle of the 19th century. This is the heart of tourist shopping; and rental rates along Market Street are among the highest found on the Peninsula City.

The Waterfront Development District is a 10-acre site that runs along the Cooper River from south of the Lowe V Hotel development under construction on the former site of the South Carolina State Ports Authority Headquarters, to North Adgers Wharf. Waterfront Park itself encompasses 8 acres of beautifully maintained gardens, lawn, pathways, a pier, and two distinctive fountains for visitors to enjoy.

The $60 million South Carolina Aquarium is on the Cooper River at the east end of Calhoun Street. Since its opening, the facility has attracted more than 500,00 visitors per year. It is home to over 10,000 plant and animal species. The aquarium also contains the state-of-the-art Sea Turtle Care Center which receives injured sea turtles and rehabilitates them to be returned to their habitats. The Turtle Care Center offers a variety of educational and research services.

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Notable Projects

The City's Department of Downtown Revitalization has been in existence for well over a decade and has been spearheading the revitalization of the city's Central Business District. The following is a brief description of some important past, current, and pending developments on the peninsula of Charleston:

The Ashley River Crossing, is an innovative, multi-modal transportation initiative to enhance the connectivity between Downtown Charleston and West Ashley broke ground for construction in January of 2025. The focal point of the project is a 0.4-mile stand-alone bicycle and pedestrian bridge connecting the West Ashley Greenway to Brittlebank Park and the Ashley Riverwalk. The project was awarded the full requested amount of $18.1 million from a federal grant program and will be completed in two phases. Phase 1 will enhance connectivity with improvements to the West Ashley Greenway/ Bikeway and the Peninsula City at key intersections: Wappoo Road / West Ashley Greenway; Folly Road / Wesley Drive / Windermere Drive; and Bee Street / Lockwood Drive. Phase 2 is construction of the bicycle and pedestrian bridge.

The Hotel Bennett, which opened in January 2019, features 179 guest rooms spanning 8 floors. The hotel boasts a two-tiered restaurant with an extensive outdoor terrace, two bars, a rooftop pool and bar, a spa, a patisserie, and more than 12,000 square feet of event and meeting spaces. This European-style luxury lodging near Marion Square is managed by Salamander Hotels and Resorts. The development cost of this facility was over $100,000,000.

NOMO

The North Morrison or NoMo district may be one of the most recently named neighborhoods in the city, but it has historic roots and today is an area on the leading edge of development. It is situated on the east side of Charleston Peninsula, bounded on the south by Huger Street, north by Greenleaf Street, west by Meeting Street, and east by the Cooper River and railroad lines that lead to the Port of Charleston. The neighborhood has been transformed and is now a tech sector and brewery hub with eclectic residences and trendy restaurants.

NoMo was formerly an industrial area, and despite its waterfront location and potential, it was largely forgotten with most factories closed and abandoned and land left vacant. Today, both upper Meeting Street and NoMo are experiencing a surge in development and popularity with many restaurants, pubs, and breweries locating in the former industrial buildings including: Edmunds Oast, Fatty's Beer Works, Munkle, the Royal American, Lewis's BBQ, and Hometeam BBQ. The region offers some of the only large parcels of undeveloped land remaining on the peninsula.

Morrison Yard is a recently completed large mixed use 380 unit multi-family community and professional office that is a $100.6 million dollar investment in a former industrial zone. Construction started in 2020 and plans included 25,960 SF of ground floor commercial space, a 10-story multi-family building and a six-story professional office building, a two level parking garage green space, clubhouse, fitness center, business center, and event space.

In February 2025 the Magnolia Project broke ground in the neck of the Charleston Peninsula. The development includes approximately 182 acres, comprised of 134 acres of highlands and 48 acres of marsh. The site has been approved for 4,080 housing units, 1.05 million SF of office space, 200,000 SF of retail space, and 1,040 hotel rooms. Magnolia will add up to 10,000 residents to Charleston with at least 15% of housing set aside as workforce units. The nearly $3 billion Magnolia Landing site has been divided into 3 phases and will be built out over 15 years.

The Morrison Drive area of Charleston is characterized by commercial properties. It is part of the Laurel Island PUD Mixed Uses and is also zoned as a Tech Corridor.

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Neighborhood Location and Boundaries

The Charleston Peninsula is centrally located in the Charleston/North Charleston MSA. The City of North Charleston lies to the north, Mount Pleasant to the east, James Island and Folly Beach to the south, and West Ashley to the west. The Peninsula is bordered by two rivers. The Ashley River flows along the western bank and the Cooper River flows along the eastern bank, after its confluence with the Wando River. These two rivers converge at the southern tip of the peninsula, forming the Charleston Harbor.

Transportation Access

Access to the Charleston Peninsula is attained via multiple routes connecting the Downtown Charleston area with all areas of the Charleston/North Charleston MSA. Interstate 26 begins in Peninsula Charleston and links Summerville and North Charleston with the peninsula. Highway 17 spans peninsula Charleston from east to west, linking Mount Pleasant and West Ashley.

The Arthur Ravenel Jr. Bridge is an eight-lane cable stayed structure that connects Mount Pleasant to Peninsula Charleston. The Ashley River Memorial Bridge, one of four drawbridges in South Carolina, connects Peninsula Charleston with the area west of the Ashley River. It is a double draw bridge with north south roadways.

Within the immediate area of the subject property, transportation access helps define the character of its development. Major travel and commuter routes within the area of the subject property include US Highway 17 and Morrison Drive. Access to the area is good.

Road Improvements

The City of Charleston has been converting former one-way streets to two-way streets to increase safety for all modes of travel, prioritize the people who live and work on the streets, make the city more accessible, and slow down traffic

Neighborhood Land Use

The Charleston Peninsula is a mix of commercial, office, residential, and industrial areas. Most of the peninsula below the "neck" is commercial offices, retail, and residential neighborhoods with medium and low-density housing. In the "neck" and NOMO district, there is a concentration of high-density housing, commercial and light industrial businesses. There are several recreational activities located on the peninsula including parks, marinas, museums and the SC Aquarium. The hospital district comprised of three major hospitals is on the west side of the peninsula and there are two college campuses, the College of Charleston which is located between Coming Street and King Street south of Calhoun and The Citadel located west of Hampton Park along the Ashley River.

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An approximate breakdown of the development in the area is as follows:

LAND USES

Developed	90%
Residential	*55%*
Retail	*20%*
Office	*20%*
Industrial	*5%*
Vacant	10%
Total	**100%**

Land Use Trends

The neighborhood is experiencing a change in land use from industrial and undeveloped to Mixed Use Development.

Demographics

The following table depicts the area demographics in Charleston within a one-, three-, and five-mile radius.

Neighborhood Demographics

Radius (Miles)	1 Mile	3 Mile	5 Mile
Trade Area (Sq. Mi.)	3.14	28.27	78.54
Trade Density (Pop/Sq. Mi.)	4,871	1,779	1,730
Population			
Census Population (2010)	10,155	44,628	121,745
Census Population (2020)	11,149	44,539	128,419
Current Population (2023)	15,291	50,290	135,833
Projected Population (2028)	17,435	53,957	143,022
Compound Annual Growth			
2010 - 2020	0.9%	0.0%	0.5%
2020 - 2023	11.1%	4.1%	1.9%
2023 - 2028	2.7%	1.4%	1.0%
Households			
Census Households (2010)	4,427	18,344	51,074
Census Households (2020)	5,254	19,910	56,652
Current Households (2023)	7,291	23,516	62,850
Projected Households (2028)	8,532	25,993	67,989
Compound Annual Growth			
2010 - 2020	1.7%	0.8%	1.0%
2020 - 2023	11.5%	5.7%	3.5%
2023 - 2028	3.2%	2.0%	1.6%
Average Household Size (2023)	2.08	1.97	2.07

Source: ESRI (ArcGIS) *(Lat: 32.807466, Lon: -79.942735)*

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Neighborhood Demographics (cont.)

Radius (Miles)	1 Mile	3 Mile	5 Mile
Trade Area (Sq. Mi.)	3.14	28.27	78.54
Trade Density (Pop/Sq. Mi.)	4,871	1,779	1,730
2023 Housing Units			
Median Home Value	$743,045	$833,531	$689,684
Median Year Built	1962	1960	1976
Total Housing Units	8,969	29,327	72,831
Owner-Occupied Housing %	24.7%	35.6%	45.4%
Renter-Occupied Housing %	56.6%	44.6%	40.9%
Vacant Housing %	18.7%	19.8%	13.7%
2023 Employment			
Total Establishments	717	4,824	10,292
Total Employees	8,258	76,631	130,212
Average Commute Time	n/a	n/a	n/a
% College Graduates	53.0%	63.0%	58.5%
2023 Income Summary			
Median Household Income	$68,897	$85,663	$91,010
Average Household Income	$109,928	$133,730	$138,547
Avg Spending/Household	$30,807	$36,827	$38,182
Per Capita Income	$51,254	$62,442	$64,212

Source: ESRI (ArcGIS) *(Lat: 32.807466, Lon: -79.942735)*

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Within a three-mile radius, the reported population is 50,290 with a projected growth rate of approximately 1.4% annually. There are 29,327 housing units within that three-mile radius. Most of the housing is tenant-occupied. Our research indicates that property values in the area are stable.

Nuisances & External Obsolescence

Neighborhood properties have adequate levels of maintenance. No adverse or unfavorable factors were observed.

Neighborhood Life Cycle

Neighborhood life cycles generally occur in order of the following four stages: (1) growth, (2) stability, (3) decline, or (4) revitalization. This neighborhood is best classified as being in the growth stage of its life cycle.

Immediate Area Uses

The below aerial photo exhibits the uses located in the vicinity.

IMMEDIATE AREA USES

Source: Google Maps

Uses along Morrison Drive are primarily mixed use commercial, office and residential. Recognized uses in the immediate area of the subject include Red Palm Tavern, Revelry Brewing, Royal America, Lee & Associates, Home Team BBQ office Charleston Tech Center Garage, Charleston Tech Center and other community business. As shown above, the density of uses in the area is sporadic with some vacant land remaining available in the area.

Analysis and Conclusions

The Charleston Peninsula stands at a pivotal juncture, blending robust economic momentum with long-term resilience planning. Anchored by tourism, plus a growing tech and aerospace presence dubbed "Silicon Harbor," and a busy port and medical sector, its economic foundations remain strong. Housing and labor markets are buoyed by constant population inflows, about 34 new residents per day as of late 2024, with job growth adding nearly 6,800 new positions in 2024 alone.

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Site Description

The property characteristics are summarized as follows:

Site Characteristics

Lot B	
Gross Area:	3.17 Acres; 138,085 square feet
Usable Area:	3.17 Acres; 138,085 square feet
Lot C	
Gross Area:	0.79 Acres; 34,412 square feet
Usable Area:	0.79 Acres; 34,412 square feet
Lot D	
Gross Area:	3.26 Acres; 142,005 square feet
Usable Area:	3.26 Acres; 142,005 square feet
Total Land Area	**7.22 Acres; 314,502 square feet**
Usable Land %:	100.0%
Shape:	Non-contiguous
Average Depth:	494.00 feet
Topography:	Level
Drainage:	Appears Adequate
Grade:	At street grade
Utilities:	Public Water, Electric and Sewer
Off-Site Improvements:	Minimal - street drains, minimal landscaping, concrete sidewalks
Interior or Corner:	Through Lot
Signalized Intersection:	No:

Street Frontage / Access

Frontage Road	Primary	Secondary
Street Name:	Morrison Drive	Hanover Street
Street Type:	4 lane highway commercial road	2 lane asphalt road
Frontage (Linear Ft.):	580.00	572.80
Number of Curb Cuts:	2	2
Traffic Count (Cars/Day):	19,400	N/A

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Additional Access

Alley Access:	No
Water or Port Access:	No
Rail Access:	No

Flood Zone Data

Flood Map Panel/Number:	45019C0512K
Flood Map Date:	01-29-2021
Portion in Flood Hazard Area:	100.00%
Flood Zone:	Zone A
	Zone A
	This is within the high risk areas as defined by FEMA and flood insurance is typically required in this zone. Zone A is an area with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30 year mortgage. Because detailed analyses are not performed for such areas; no depths or base flood elevations are shown within these zones.

Other Site Conditions

Soil Type:	assumed to be adequate for commercial development
Environmental Issues:	An environmental site assessment report was not furnished for our review. An inspection of the property did not reveal any visible or factual evidence of apparent environmental impairment to the site. The appraisers are not considered experts in hazardous materials. The client is advised to obtain an environmental report if further investigation is desired. In addition, a drive-by inspection of the immediate vicinity surrounding the subject did not reveal any uses or hazards that would be expected to pose an apparent risk to the site or would restrict its use.
Easements/Encroachments:	Those noted in deed and common utility easements
Earthquake Zone:	South Carolina is home to one of the most active earthquake-producing regions in North America, a twenty-five by fifteen-mile oval known as the Middleton Place-Summerville Seismic Zone, whose center lies about twenty-two miles northeast of Charleston. The last earthquake causing significant damage was 1886. However, as recently as January 2014, seismic activity of a 2.2 magnitude was recorded. Within the last five years there have been 20 seismic events ranging in magnitude from 1.6 to 3.6. Although the potential for a destructive earthquake exists, there is no evidence that value is negatively affected.

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Adjacent Land Uses

North:	Commercial
South:	Commercial/Marsh/US Highway 17
East:	Commercial/Marsh
West:	Commercial/Singleton Park

Site Ratings

Access:	Excellent
Visibility:	Excellent

Zoning Designation

Zoning Jurisdiction:	City of Charleston
Zoning Classification:	PUD and TC, Planned Development and Tech Corridor Overlay Zone
General Plan Designation:	Mixed Uses per PUD and Tech Overlay Zone
Permitted Uses:	A variety of mixed uses and determined by the PUD and the property is also zoned as a Tech Overlay Zone
Zoning Comments:	A Planned Unit Development consists of a tract or tract of land under unified control, planned and developed as a whole in a single development stage of phased series of development stages according to an approved PUD Master Plan. The PUD conditional use is intended to provide flexibility in the design of developments; to encourage comprehensive planning of major developments; to permit innovation in neighborhood design that includes incorporation of open space and other amenities; and to insure compatibility of developments with surrounding areas. Tech Corridor a. Intent. The intent of the Tech Corridor "TC" overlay zone is to enable high technology and technology-related industries to anchor new development in the district. The City deems it necessary to provide additional protections to ensure these key properties are used predominately for tech office uses. Within this overlay zone, specific types of land uses are permitted only with the approval of a special exception and certain uses are specifically prohibited. b. Permitted uses. In any Tech Corridor overlay zoning district, land may be used and buildings or structures may be erected, altered or used for any purpose allowed by the underlying zoning district as listed in Article 2, Part 3, provided, however, any type of residential use and any type of retail use where the total area of a retail use, including storage and office areas associated therewith, exceeds 25,000 square feet, shall be permitted only by way of a

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special exception approved by the Board of Zoning Appeals-Zoning, where the Board, after review, finds that the residential or retail uses are clearly incidental and subordinate to the primary use of the property for technology-related industry, it being the intent that residential use and large format retail use only be permitted in the district as a minor, incidental and subordinate use on properties within the Tech Corridor overlay zone. Furthermore, the TC Zoning limits residential uses to no more that 50% of the project.

The AR Overlay Zone applies to all areas of peninsula section of the city as bounded by the Ashley River, the Cooper River and Charleston Harbor.

Historic under Board of Architectural Review (BAR) purview. Within the historic districts, the BAR reviews all new construction, alterations and renovations visible from the public right-of-way. The BAR reviews all demolitions of buildings 50 years of age or older on any structures south of Mount Pleasant Street, and any demolitions (regardless of age) within the Old and Historic District. In addition, the BAR has jurisdiction over all structures included on the Landmark Overlay Properties list.

Analysis/Comments on Site

Based on the characteristics above, the site appears to be suitable for a variety of uses allowed by zoning. Overall, there are no known factors or characteristics of the site which would prevent it from being developed for its highest and best use, if vacant, nor to the use of the site as currently improved.

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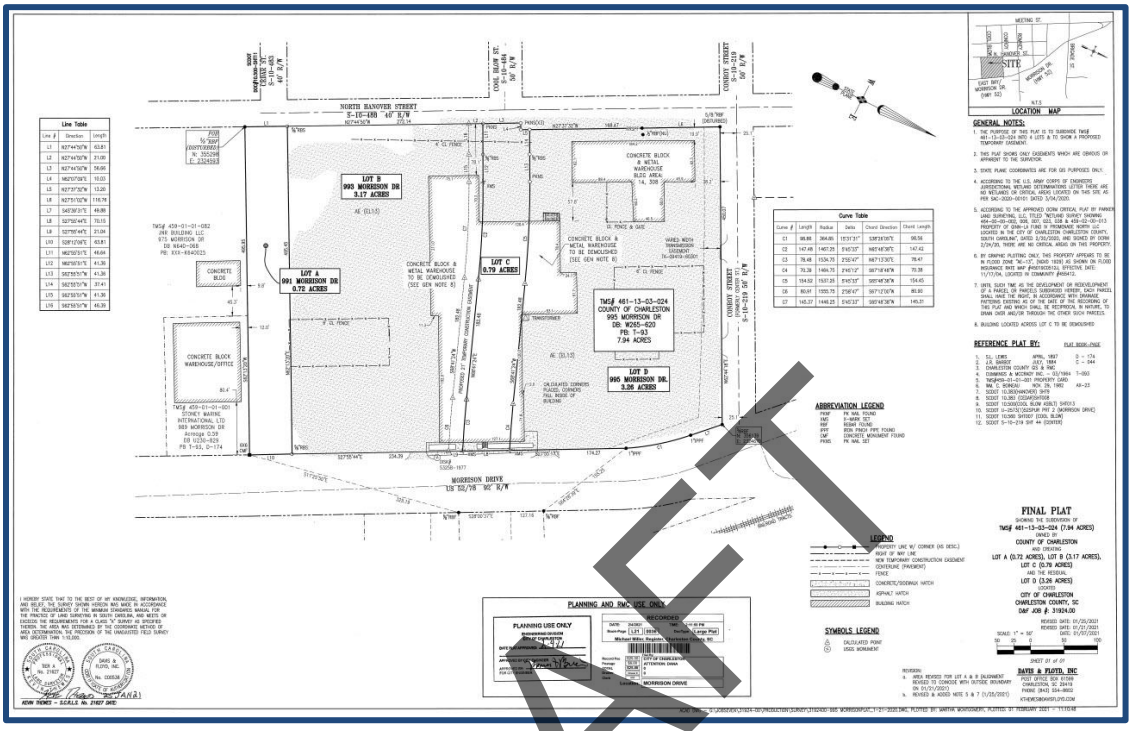
SURVEY



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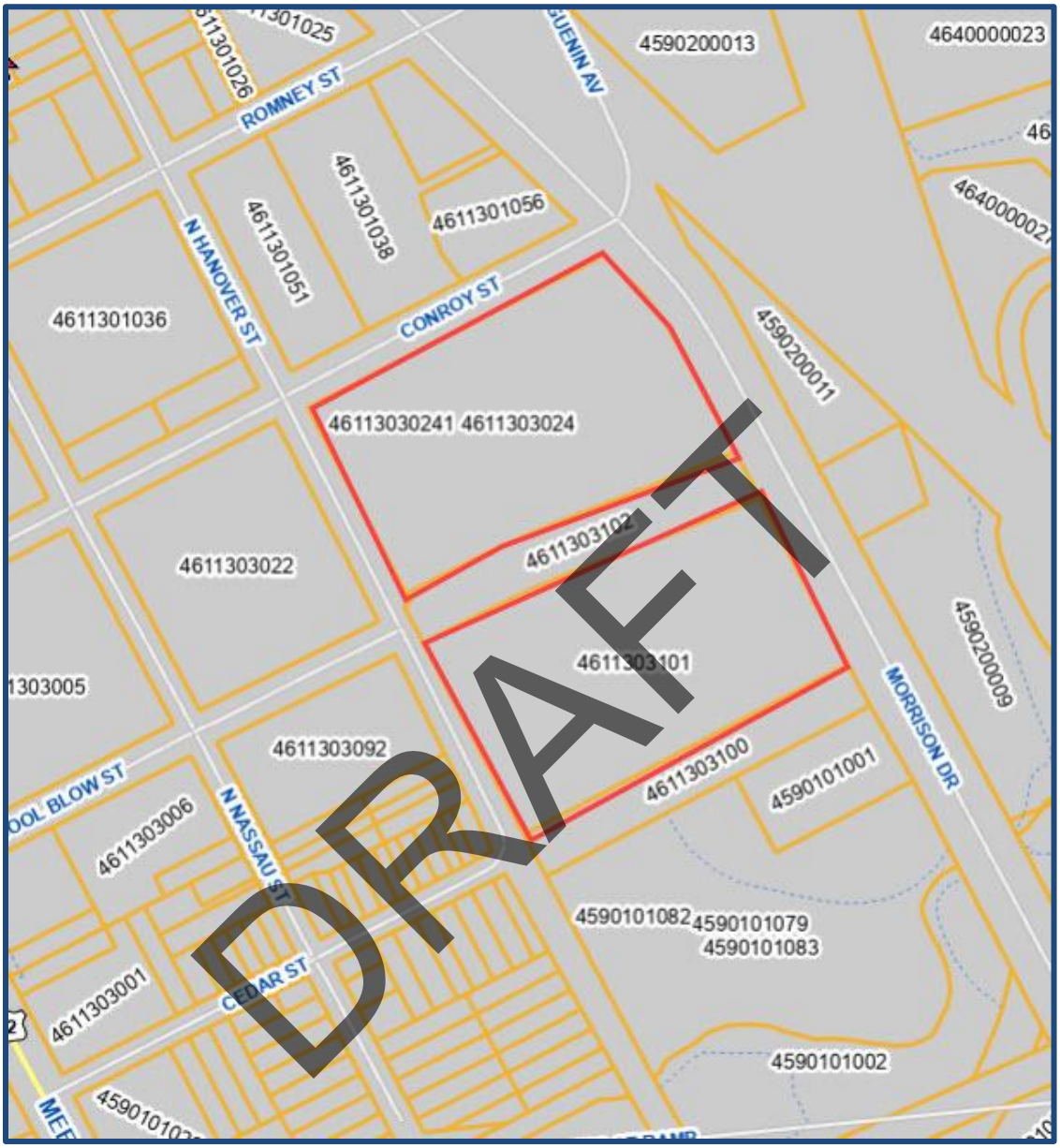
TAX PLAT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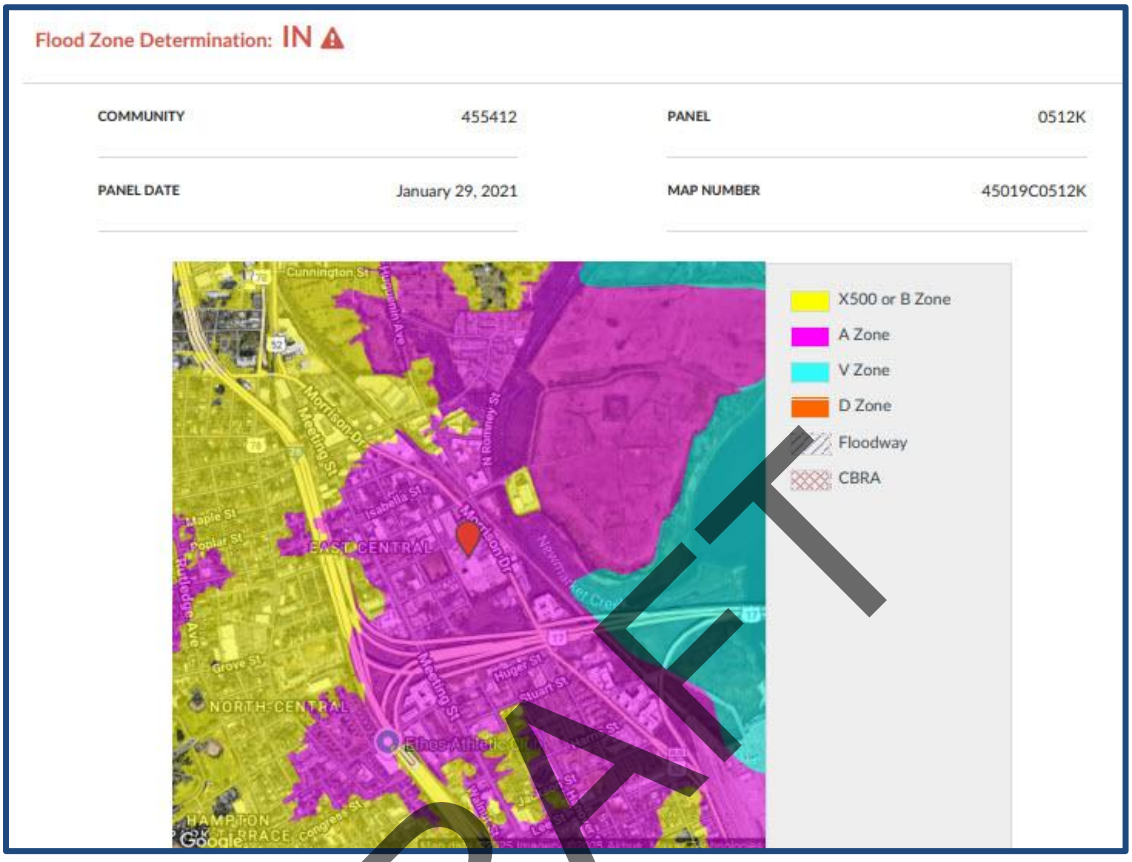
FLOOD MAP



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TRAFFIC MAP

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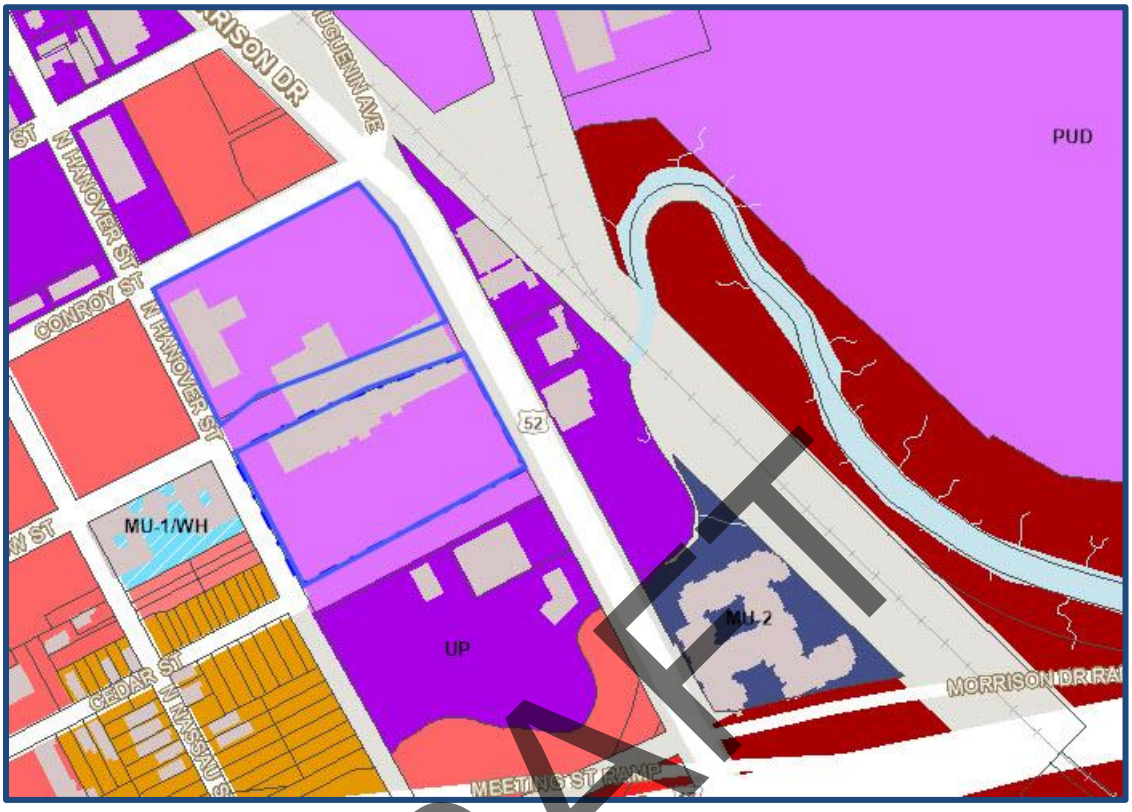
ZONING MAP



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Property Photographs

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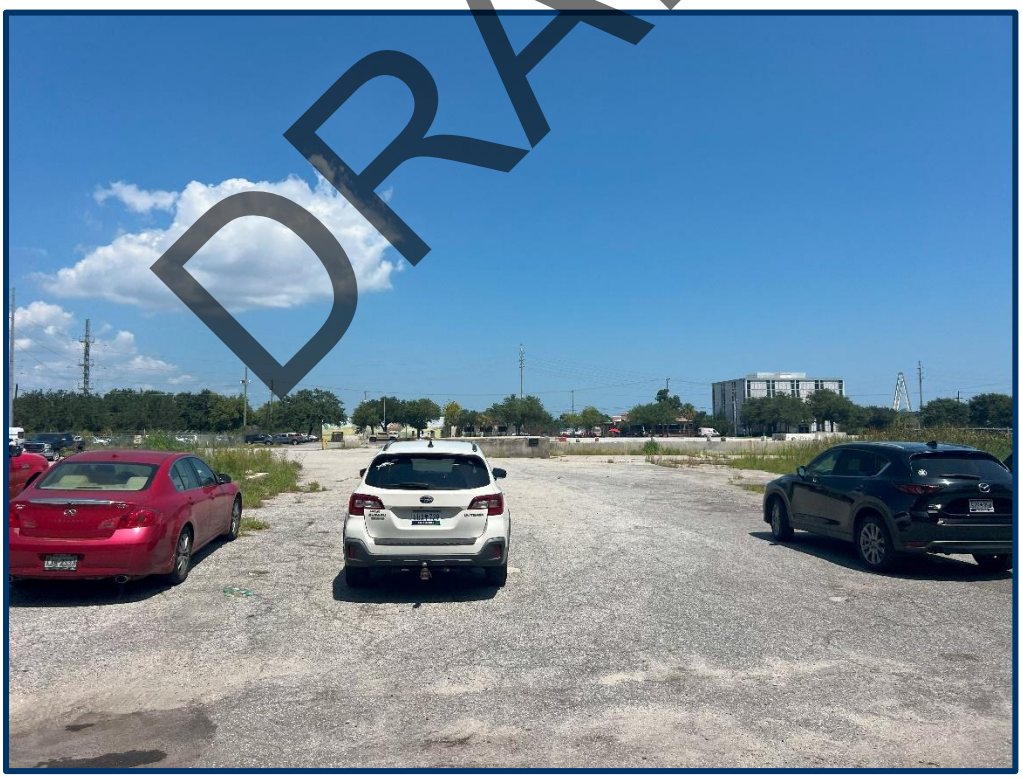

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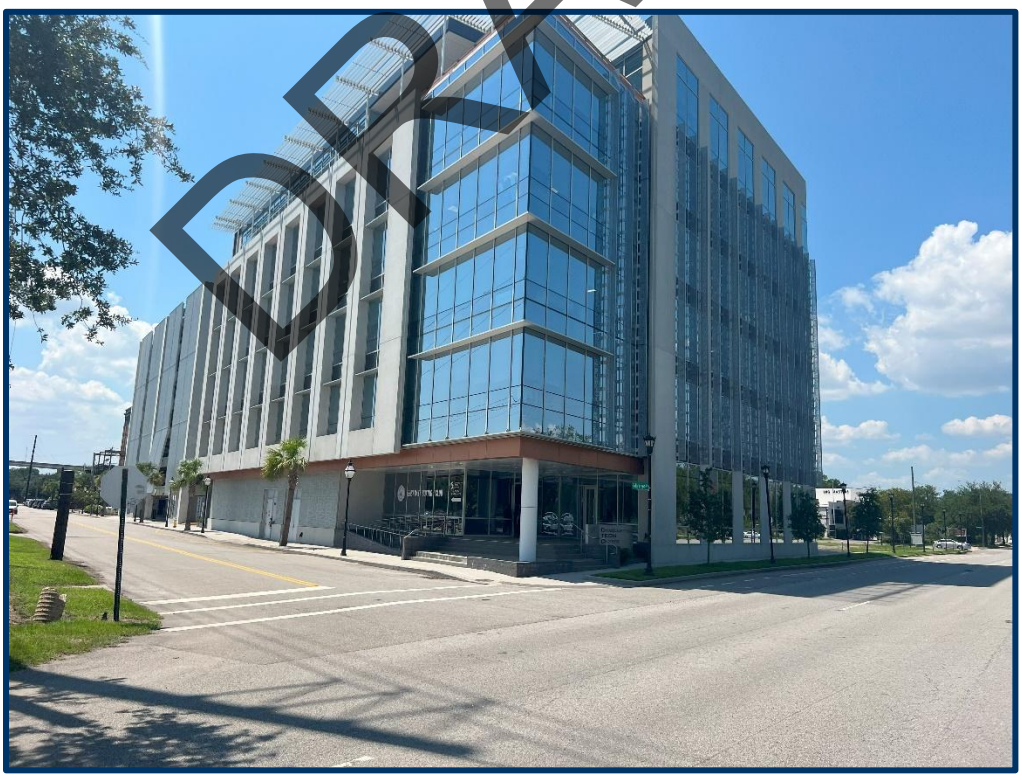

View of adjacent property

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Assessment and Tax Data

Assessment Methodology

Property taxes are based upon an appraisal of the property prepared by the Charleston County Tax Assessor's Office. An appraisal is conducted every five years on properties located within Charleston County and the values are in theory appraised at 100% of market value. This is commonly known as an "equalization" program.

Under the current Law, a property's tax appraisal will increase no more than 3% per year or 15% during each 5-year Equalization cycle, unless there is transferable interest (ATI). An ATI includes sales, gifts, inheritance, and long-term leases (those more than 20 years). When any property encounters an ATI, the Assessor is required to re-appraise it at market value for the following tax year.

Current law provides for an exemption of up to 25% of any increase in property tax re-appraisal because of an ATI and it only applies to properties that are taxed at a 6% assessment ratio. To obtain this exemption, the purchaser must submit a written request to the Assessor between January 1 and January 30 of the tax year following the ATI. If written request is not made or is submitted after January 30, there will be no 25% exemption.

The exemption cannot result in a reduction in the property tax that is less than the property tax due (using Assessor's market value appraisal) at the time of the ATI. Therefore, if the market value re-appraisal based on the ATI is not greater than 25% of the market value appraisal when an ATI occurs, property tax will not change.

At the same time, if an ATI occurs and market value re-appraisal is less than the Assessor's market value appraisal at the time of the ATI property taxes will decrease in the year following the ATI.

This tax system has been in place for enough time so buyers and sellers understand the effects of an ATI. This appraisal is made assuming a buyer would anticipate an ATI and make timely written application for the 25% exemption.

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Assessed Values and Property Taxes

Lots B and D currently enjoy tax exempt status by virtue of their ownership. Lot C's information is shown below:

Ad Valorem Tax Schedule

Tax Parcel Numbers: 461-13-03-101 & 461-13-03-024

Charleston County Year	Actual 2024
Appraised Value	
Land:	$2,760,900
Improvements:	$0
Total:	$0
Per Square Foot:	$0.00
% Change:	N/A
Assessment Ratio	6.00%
Assessed Value	
Land:	$165,654
Improvements:	$0
Total:	$165,654
% Change:	N/A
Tax Rate per $1,000	$313.600000
% Change:	N/A
	Actual
Tax Expense	2024
Total:	$51,949

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Highest and Best Use Analysis

The Highest and Best Use of a property is the use that is legally permissible, physically possible, and financially feasible which results in the highest value. An opinion of the highest and best use results from consideration of the criteria noted above under the market conditions or likely conditions as of the effective date of value. Determination of highest and best use results from the judgment and analytical skills of the appraiser. It represents an opinion, not a fact. In appraisal practice, the concept of highest and best use represents the premise upon which value is based.

Highest and Best Use As Vacant

The primary determinants of the highest and best use as vacant are (1) Legal permissibility, (2) Physical possibility, (3) Financial feasibility, and (4) Maximum productivity.

Legally Permissible

The property is zoned PUD and TC, Planned Development and Tech Corridor Overlay Zone, which allows mixed use commercial and residential development. The known use restrictions that would unduly limit or impede development are related to the TC Overlay. As stated earlier, both residential and retails uses are limited. The property location is appropriate for the uses allowed.

Physically Possible

The physical property characteristics are presented in the property description section and allow for a number of potential uses. Elements such as size, shape, availability of utilities, known hazards (flood, environmental, etc.), and other potential influences were considered. No physical attributes materially limit legally permissible and appropriate development. The most probable use of the site is for mixed use including office and limited residential development, which conforms to the pattern of land use in the immediate area.

Financially Feasible

Under the current PUD and Tech Corridor overlay, near-term speculative property development is marginally financially feasible. The retail and residential uses which yield the highest land prices in the City are limited in terms of density, and the Tech Office along with other office uses are yielding lower land prices.

Maximally Productive

Among the financially feasible uses, the use that results in the highest value (the maximally productive use) is the highest and best use. Considering these factors, the maximally productive use as vacant is for mixed use office and residential as market conditions permit.

Highest and Best Use As Vacant Conclusion

The conclusion of the highest and best use as vacant is for mixed use office and residential development as market conditions permit.

Most Probable Buyer

As of the date of value, the most probable property buyer is a developer and / or land speculator.

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Land Valuation – As Is

Methodology

Vacant land is most often estimated using the sales comparison approach. It develops an indication of market value by analyzing closed sales, listings, or pending sales of properties like this, focusing on the difference between it and the comparable sales using appropriate elements of comparison. This approach is based on the principles of supply and demand, balance, externalities, and substitution, or the premise that a buyer would pay no more for a specific property than the cost of obtaining a property with the same quality, utility, and perceived benefits of ownership.

Unit of Comparison

The unit of comparison selected depends on the appraisal problem and nature of the property and is intended to explain or mirror market behavior. The primary unit of comparison in this market and applied in this analysis is price per usable square foot.

Elements of Comparison

Elements of comparison are the characteristics or attributes of properties and transactions that cause the prices of real estate to vary. The primary elements of comparison considered in sales comparison analysis are as follows: (1) property rights conveyed, (2) financing terms, (3) conditions of sale, (4) expenditures made immediately after purchase, (5) market conditions, (6) location and (7) physical characteristics.

Comparable Sales Data

The market was studied to identify sales and listings of comparable properties with a focus on those that appeal to the most probable property buyer. These properties typically have similar locations and physical characteristics. Of these transactions, sufficient sales data was available for the following comparable sales, which were analyzed to estimate a unit value.

The following table summarizes the comparable sales utilized and a map illustrating the location of each. Details of each comparable sale follow the location map. Since Lots B and D are separated by Lot C, and Lot C is in different ownership and have different highest and best uses, we have valued each lot as an independent property and then added those conclusions. The result is then discounted to market value as a single property to a single purchaser.

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Land Sales Summary

Comp. No.	Date of Sale	Usable Sq. Ft.	Location		Zoning	Proposed Use	Sales Price Actual	Per Sq. Ft.
1	July-25	20,909	1659 & 1663 Meeting Street Road	Charleston, South Carolina	UP		$2,200,000	$105.22
2	April-25	193,842	1142 Morrison Drive	Charleston, South Carolina	UP	Retail and Residential	$24,500,000	$126.39
3	January-23	144,619	1590 Meeting Street	Charleston, South Carolina	UP		$10,000,000	$69.15
4	October-22	18,731	637 Rutledge Avenue	Charleston, South Carolina	GB	Future commercial development	$1,200,000	$64.06
5	May-19	104,544	1074 North Morrison Drive	Charleston, South Carolina	UP	Office Building	$6,000,000	$57.39

COMPARABLE SALES MAP

LAND COMPARABLE 1

Property Identification

Property Name	Redevelopment Project
Address	1659 & 1663 Meeting Street Road
City County State Zip	Charleston, Charleston County, South Carolina 29405
MSA	Charleston-North Charleston
Tax ID	464-06-00-005 & 464-06-00-020
VPA Property/Sale ID	11509134/1810557

Transaction Data

Sale Status	Closed
Sale Date	07-01-2025
Grantor/Seller	Prima, LLC
Grantee/Buyer	1659 Meeting LLC
Deed Book/Page	1322-626
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Typical
Sales Price	$2,200,000
Adjusted Sales Price	$2,200,000

Adjusted Sales Price Indicators

Price per Gross Acre	$4,583,333
Price per Gross SF	$105.22
Price per Usable Acre	$4,583,333
Price per Usable SF	$105.22

Verification

Property Description

Gross Land Area	0.480 Acres/20,909 SF
Usable Land Area	0.480 Acres/20,909 SF
Frontage Feet	200.65
Depth	100.00
No. of Lots	2
Proposed Bldg SF	3,970
Proposed Units	4
Density (Units/Acre)	8.33
Street Access	2 curb cuts along Meeting Street
Visibility	Excellent
Corner/Interior	Mid-Block
Shape	Rectangular
Topography	Level
Utilities	Public Water, Electric and Sewer
Drainage	Appears Adequate
Flood Hazard Zone	Zone X
Zoning Code	UP Upper Peninsula District

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Remarks

Improved on the site is a 3,970 SF auto service facility that is currently vacant. The buyers plan to use the improvements on an interim basis while working on redevelopment plans.

LAND COMPARABLE 2

Property Identification

Property Name	Mixed Use Land
Address	1142 Morrison Drive
City County State Zip	Charleston, Charleston County, South Carolina 29403
MSA	Charleston-North Charleston
Tax ID	461-09-01-007 & 008
VPA Property/Sale ID	11012109/1443568

Transaction Data

Sale Status	Closed
Sale Date	04-04-2025
Grantor/Seller	International Longshoremens Association Local 1422
Grantee/Buyer	Morrison OZB, LLC
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Typical
Sales Price	$24,500,000
Adjusted Sales Price	$24,500,000

Adjusted Sales Price Indicators

Price per Gross Acre	$5,505,618
Price per Gross SF	$126.39
Price per Usable Acre	$5,505,618
Price per Usable SF	$126.39

Verification

Confirmed By	Christopher D. Donato
Confirmation Source	Andy Matsick, Broker

Property Description

Proposed Use	Retail and Residential
Gross Land Area	4.450 Acres/193,842 SF
Usable Land Area	4.450 Acres/193,842 SF
Frontage Feet	673.00
Depth	314.00
Street Access	Good
Rail Access	No
Water/Port Access	No
Visibility	Good
Corner/Interior	Soft Corner
Shape	Irregular
Topography	Level
Utilities	All Available
Drainage	Appears Adequate
Flood Hazard Zone	Zone X
Zoning Code	UP Upper Peninsula

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Remarks

This property is the International Longshoremen's Union Hall on Morrison Drive. The building is 28,364 SF and was built in 2002. However, this is a special purpose structure with a large hiring hall. The city has informed the broker that the BAR has no jurisdiction over this building and can be demolished.

This property was placed on the market about 2 years ago with a call for offers. Several offers over $20,000,000 were received, but the Union was having internal conflicts over whether to sell the property or not. The membership eventually voted not to sell, but the union president went to national leadership and had the vote overturned. The Union has since purchased the Hill-Rom building over Leeds Avenue and will be moving their operation to a new location.

In the meantime, the Morrison Drive facility was placed back on the market in late 2019, this time with an asking price of $25,000,000. According to the listing broker a contract was signed during the second week of January 2020, for a price over $20,000,000. The exact amount could not be revealed. The prospective buyer is a national home builder familiar with the upper peninsula and intends to develop a mixed use project with of apartments and a significant office component. Approximately two months later the COVID virus shut down business and was particularly damaging to office buildings since many offices closed and sent employees home to work.

The prospective buyers voided the contract during the due diligence period to get a better handle on the direction of the market. The prospective buyer originally bid on this property in 2018 and was one of the lowest bids. When the property was placed back on the market in late 2019 it was in the new opportunity zone. The prospective buyer who was last was now the highest bidder, doubling their bid due to the opportunity zone.

The property was again listed for sale in 2021, for $36,000,000. The most recent sales price was $24,500,000 with $8,750,000 seller provided financing.

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LAND COMPARABLE 3

Property Identification

Address	1590 Meeting Street
City County State Zip	Charleston, Charleston County, South Carolina 29405
MSA	Charleston-North Charleston
Tax ID	464-10-00-006-1, 464-10-00-120, 464-10-00-121, 464-10-00-122, 464-10-00-123
VPA Property/Sale ID	11495917/1790380

Transaction Data

Sale Status	Closed
Sale Date	01-09-2023
Grantor/Seller	Cooper River Corp LLC
Grantee/Buyer	Atlas Real Estate Partners
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Typical
Sales Price	$10,000,000
Adjusted Sales Price	$10,000,000

Adjusted Sales Price Indicators

Price per Gross Acre	$3,012,048
Price per Gross SF	$69.15
Price per Usable Acre	$3,012,048
Price per Usable SF	$69.15
Price per Front Foot	$82,644.63

Verification

Confirmed By	Matthew McIntyre

Property Description

Gross Land Area	3.320 Acres/144,619 SF
Usable Land Area	3.320 Acres/144,619 SF
Frontage Feet	121.00
Rail Access	Yes
Water/Port Access	No
Visibility	Good
Corner/Interior	Interior
Shape	Slightly Irregular
Topography	At about street grade
Utilities	are assumed adequate.
Drainage	Appears Adequate
Flood Hazard Zone	X
Zoning Code	UP

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Remarks

This 3.32 property sold to Atlas Real Estate Partners for $10,000,000 in January of 2023. Atlas Real Estate Partners is a multifamily-focused private investment and development firm with offices in New York and Miami, will develop the project, known as The Darby, with FIDES.

The transaction closed on January 10, following a two-year contract period in which full entitlements and site plan approval were obtained for the project.

LAND COMPARABLE 4

Property Identification

Property Name	South State Branch / Rutledge
Address	637 Rutledge Avenue
City County State Zip	Charleston, Charleston County, South Carolina 29403
MSA	Charleston-North Charleston
Tax ID	460-03-01-054
VPA Property/Sale ID	11246401/1776025

Transaction Data

Sale Status	Closed
Sale Date	10-11-2022
Grantor/Seller	SouthState Bank
Grantee/Buyer	Hampton Ventures LLC
Recording Number	1142 904
Property Rights	Fee Simple
Sales Price	$1,200,000
Adjusted Sales Price	$1,200,000

Adjusted Sales Price Indicators

Price per Gross Acre	$2,790,698
Price per Gross SF	$64.06
Price per Usable Acre	$2,790,698
Price per Usable SF	$64.06

Verification

Confirmed By	Michael C. Tawes
Confirmation Source	Frank Hagood - Buyer

IMG_7960

Property Description

Proposed Use	Future commercial development
Gross Land Area	0.430 Acres/18,731 SF
Usable Land Area	0.430 Acres/18,731 SF
Frontage Feet	125.00
Depth	150.00
No. of Lots	1
Proposed Bldg SF	1,000
Proposed Units	1
Density (Units/Acre)	2.33
Street Access	Two curb cuts along Rutledge Ave, 1 cur cut along Moultrie Street, and 2 curb cuts along Huger Street
Visibility	Good
Corner/Interior	Corner
Topography	Level
Utilities	Public Utilities
Drainage	Appears Adequate
Flood Hazard Zone	X500 or B Zone
% in Flood Hazard	0.00%
Zoning Code	GB General Business

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Remarks

This is a sale of former SouthState Bank branch located at the corner of Rutledge Avenue and Moultrie Street near Hampton Park. This is small branch that had been closed for some time. The buyer intends to lease the property on an interim basis and eventually redeveloped the site. As such, this is a land sale

LAND COMPARABLE 5

Property Identification

Property Name	Mixed Use Land
Address	1074 North Morrison Drive
City County State Zip	Charleston, Charleston County, South Carolina 29403
MSA	Charleston-North Charleston
Tax ID	461-09-03-003 & 060
VPA Property/Sale ID	92928/67240

Transaction Data

Sale Status	Closed
Sale Date	05-21-2019
Grantor/Seller	WCCS, LLC
Grantee/Buyer	1074 Morrison LLC
Deed Book/Page	0797 / 072
Property Rights	Fee Simple
Financing	Cash to Seller
Conditions of Sale	Typical
Sales Price	$6,000,000
Sale Conditions Adj.	$1,275,000
Adjusted Sales Price	$7,275,000

Adjusted Sales Price Indicators

Price per Gross Acre	$3,031,250
Price per Gross SF	$69.59
Price per Usable Acre	$3,031,250
Price per Usable SF	$69.59

Verification

Confirmed By	Christopher D. Donato
Confirmation Source	Eddie Buxton, Listing Agent

Property Description

Proposed Use	Office Building
Gross Land Area	2.400 Acres/104,544 SF
Usable Land Area	2.400 Acres/104,544 SF
Frontage Feet	480.00
Depth	225.00
No. of Lots	1
Proposed Bldg SF	99,000
Street Access	Morrison Drive & Brigade Street
Rail Access	No
Water/Port Access	No
Visibility	Good
Corner/Interior	Soft Corner
Shape	Irregular
Topography	Level
Drainage	Appears adequate for development
Flood Hazard Zone	Zones X and AE
Zoning Code	UP Upper Peninsula

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Remarks

This site had two buildings that formerly comprised an automobile dealership. The buildings were built in 1968 and no longer represent the highest and best use of the site. They contributed no value. This site was originally put under contract in September 2016. The asking price for the property was $6,500,000. However, there were 12 bidders for the property, which was ultimately reduced to 4. These 4 bidders pushed the contract price to approximately 20% greater than the asking price ($7,900,000).

The buyers had completed an environmental study of the site and have found two minor sites requiring clean up. The cost of clean up is the responsibility of the buyer.

The then prospective buyer asked for an extension of closing to the first quarter of 2018. However, the sellers were unwilling to extend the closing and the contract was voided. The listing agent placed the property back on the market for bid and had excellent response. A contract was negotiated at $7,150,000. After a due diligence period the prospective purchaser on Friday, May 25, 2018, wrote and voided the contract using as a reason that

construction costs were too high at this time. On Friday (5/25/2018) the property was withdrawn from the market.

The site was placed back on the market in late 2018 with an asking price of $6,950,000. The experience with marketing this property was with developers interested in mixed uses of retail and apartments. However, an office developer decided this was the site he wanted and ultimately built a 99,000 SF building that is mostly offices with a small amount of retail on the northwest corner.

The northwest corner of the site was under another tax map number and different ownership. This corner parcel of 0.30 acre was purchased from Patrick Kelly and Anita Dawn Baker on 5/21/2019 for $1,275,000 (see deed book 0797 page 078).

The amount of $1,275,000 will be added as a condition of sale to show the total amount paid for the land assemblage.

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Land Sales Comparison Analysis

When necessary, adjustments were made for differences in various elements of comparison, including property rights conveyed, financing terms, conditions of sale, expenditures made immediately after purchase, market conditions, location, and other physical characteristics. If the element in comparison is superior, a negative adjustment was applied. Conversely, a positive adjustment was applied if inferior. A summary of the elements of comparison follows.

Transaction Adjustments

Transaction adjustments include: (1) real property rights conveyed, (2) financing terms, (3) conditions of sale, and (4) expenditures made immediately after purchase. These items, which are applied prior to the market conditions and property adjustments, are discussed as follows:

Real Property Rights Conveyed

Real property rights conveyed influence sales prices and must be considered when analyzing a comparable sale. The property rights appraised reflect the fee simple interest. All the comparable sales conveyed the same interest; therefore, no adjustments were necessary.

Financing Terms

The transaction price of one property may differ from that of an identical property due to different financial arrangements. Sales involving financing terms that are not at or near market terms require adjustments for cash equivalency to reflect typical market terms. A cash equivalency procedure discounts the atypical mortgage terms to provide an indication of value at cash equivalent terms.

All of the sale comparables involved typical market terms by which the sellers received cash or its equivalent and the buyers paid cash or tendered typical down payments and obtained conventional financing at market terms for the balance. Therefore, no adjustments for this category were required.

Conditions of Sale

When the conditions of sale are atypical, the result may be a price that is higher or lower than that of a normal transaction. Adjustments for conditions of sale usually reflect the motivations of either a buyer or a seller who is under duress to complete the transaction. Another more typical condition of sale involves the downward adjustment required to a comparable property's for-sale listing price, which usually reflects the upper limit of value.

Sale 5 required an upward adjustment of 21.3% for the assemblage described earlier.

Expenditures Made Immediately After Purchase

A knowledgeable buyer considers expenditures required upon purchase of a property, as these costs affect the price the buyer agrees to pay. Such expenditures may include: costs to demolish and remove any portion of the improvements, costs to petition for a zoning change, and/or costs to remediate environmental contamination.

The relevant figure is not the actual cost incurred, but the cost anticipated by both the buyer and seller. Unless the sales involved expenditures anticipated upon the purchase date, no adjustments to the comparable sales are required for this element of comparison. The parties to these transactions did not anticipate expenditures were required immediately after purchase; therefore, no adjustments were warranted.

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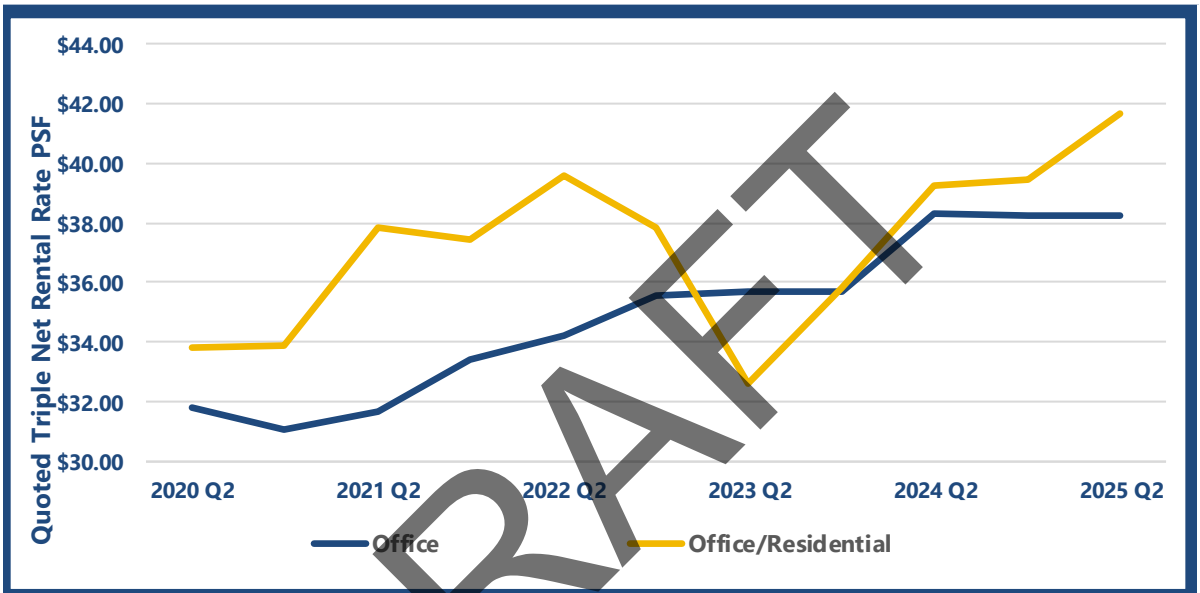
Market Conditions Adjustment

Market conditions change over time because of inflation, deflation, fluctuations in supply and demand, or other factors. Changing market conditions may create a need for adjustment to comparable sale transactions completed during periods of dissimilar market conditions.

Discussions with market participants and a review of market data indicated that overall market conditions for vacant land properties have been improving with recent transactions confirming this trend. This is further shown in the chart from CoStar which analyzes office rentals and office/residential rentals over the past 10 years.



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Time Period	2025 Q2	1-Year	3-Year	5-Year	10-Year
City of Charleston - Office	$38.22 PSF	$38.29 PSF	$34.23 PSF	$31.80 PSF	$23.50 PSF
Annual Growth Rate	-	*-0.2%*	*3.7%*	*3.7%*	*5.0%*
City of Charleston - Office/Residential	$41.65 PSF	$39.23 PSF	$39.60 PSF	$33.79 PSF	$27.23 PSF
Annual Growth Rate	-	6.2%	1.7%	4.3%	4.3%

Source: CoStar Group, Inc.

Based on this information, a reasonable adjustment reflecting changes in market conditions is 5% through January of 2025, with none since that time.

Property Adjustments

Property adjustments are usually expressed quantitatively as percentages or dollar amounts that reflect the differences in value attributable to the various characteristics of the property. In some instances, however, qualitative adjustments are used. These adjustments are based on locational and physical characteristics and are applied after transaction and market conditions adjustments. The reasoning for the property adjustments made to each comparable sale follows. The discussion analyzes each applicable adjustment category.

Location

Location adjustments may be required when the locational characteristics of a comparable are different. These characteristics can include general neighborhood characteristics, proximity to major thoroughfares, proximity to employments centers and amenities, neighboring properties, and accessibility.

This property is on the west side of Morrison Drive and to the south of Romney Street with excellent access and excellent visibility. Sales 2 and 5 are in similar locations.

Both Sale 1 and Sale 3 are further from the center of the Peninsula, in an area that is in the path of growth and are inferior locations.

Sale 4 is on Rutledge Avenue, in a primary residential area, with scattered neighborhood commercial uses. It is also a well-developed area, and not in a similar growth area as this property so it is an inferior location.

Size

The size adjustment addresses difference in the physical size of this property compared to the comparable sales. Typically a large property commands a lower price per unit than a smaller property. This inverse relationship is due, in part, to the principle of "economies of scale."

This property is 3.270 acres of useable land and the comparable sales range in size from 18,731 to 193,842 square feet. Adjustments are made accordingly.

Zoning

The highest and best use of sale comparables should be very similar to the highest and best use of the property appraised. When comparable sales with the same zoning are lacking or scarce, parcels with slightly different zoning, but a similar highest and use may be used as comparable sales. These comparable sales may require an adjustment for differences in utility if the market supports such adjustment.

As discussed, the property is zoned Laurel Island Planned Development, that allows for general mixed uses. However, it also sits in the Tech Corridor Overlay, which puts a limit on both residential and retail densities with a 50% requirement of Tech office.

Sales 1, 2 and 3 are all zoned UP – The Upper Peninsula District. This is intended to accommodate a mixture of dense residential and commercial and uses and taller buildings in the upper portion of the peninsula using incentives designed to promote ecology, mobility, energy efficiency, diverse housing and privately maintained outdoor spaces accessible to the public. For each of these sales, we believe that the developers intent is for mixed uses to take advantage of the higher density zoning.

Sale 4 is zoned General Business, which on its own is the most intensive commercial zoning district. However, any residential use must be approved by special exception.

Sale 5 had the UP Zoning, but several attempts to purchase the site for residential uses were unsuccessful. Ultimately the buyer chose to develop the site with a large office building with some retail uses on the ground floor.

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If we analyze Sale 2, which has full UP Zoning, against Sale 4 we can reconcile a time adjusted difference of about 44% due to the zoning. A similar analysis with Sale 5 indicates a difference of about 32% due to intended use for office.

Realizing that there is some residential density allowed for the property appraised in the TC Overlay, Sales 1- 3 were negatively adjusted a tempered 30% to reflect the superior density potential (zoning). Sale 4 was positively adjusted 10% to reflect the fact that there is no possibility of residential uses without a special exception.

Summary of Adjustments

A summary of the adjustments is presented in the following table:

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LAND SALES ADJUSTMENT GRID – LOT D

Land Sales Adjustment Grid

	Subject	Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5
Sale ID		1810557	1443568	1790380	1776025	67240
Date of Value & Sale	September-25	July-25	April-25	January-23	October-22	May-19
Unadjusted Sales Price		$2,200,000	$24,500,000	$10,000,000	$1,200,000	$6,000,000
Usable Square Feet	142,005	20,909	193,842	144,619	18,731	104,544
Unadjusted Sales Price per Usable Sq. Ft.		**$105.22**	**$126.39**	**$69.15**	**$64.06**	**$57.39**
Transactional Adjustments						
Property Rights Conveyed	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$57.39
Financing Terms	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$57.39
Conditions of Sale	*Typical*	*Typical*	*Typical*	*Typical*	*Typical*	*Typical*
Adjustment		-	-	-	-	21.3%
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$69.59
Expenditures after Sale						
Adjusted Sales Price		**$105.22**	**$126.39**	**$69.15**	**$64.06**	**$69.59**
Market Conditions Adjustments						
Elapsed Time from Date of Value		*0.21 years*	*0.45 years*	*2.68 years*	*2.93 years*	*6.33 years*
Market Trend Through	January-25	-	-	9.9%	11.1%	28.1%
Subsequent Trend Ending	September-25	-	-	-	-	-
Analyzed Sales Price		**$105.22**	**$126.39**	**$76.00**	**$71.20**	**$89.15**
Physical Adjustments						
Location	*993-995 Morrison Drive Charleston, South Carolina*	*1659 & 1663 Meeting Street Road Charleston, South Carolina*	*1142 Morrison Drive Charleston, South Carolina*	*1590 Meeting Street Charleston, South Carolina*	*637 Rutledge Avenue Charleston, South Carolina*	*1074 North Morrison Drive Charleston, South Carolina*
Adjustment		25.0%	-	25.0%	25.0%	-
Size	*142005*	*20,909 sf*	*193,842 sf*	*144,619 sf*	*18,731 sf*	*104,544 sf*
Adjustment		-14.0%	2.0%	-	-15.0%	-3.0%
Zoning	*PUD and TC*	*UP*	*UP*	*UP*	*GB*	*UP*
Adjustment		-30.0%	-30.0%	-30.0%	10.0%	-
Net Physical Adjustment		-19.0%	-28.0%	-5.0%	20.0%	-3.0%
Adjusted Sales Price per Usable Square Foot		**$85.23**	**$91.00**	**$72.20**	**$85.44**	**$86.47**

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Conclusion – Lot D

The comparable sales were adjusted based on pertinent elements of comparison with the unadjusted and adjusted unit sales prices presented in the following table:

Land Sale Statistics

Metric	Unadjusted	Analyzed	Adjusted
Min. Sales Price per Usable Square Foot	$57.39	$71.20	$72.20
Max. Sales Price per Usable Square Foot	$126.39	$126.39	$91.00
Median Sales Price per Usable Square Foot	$69.15	$89.15	$85.44
Mean Sales Price per Usable Square Foot	$84.44	$93.59	$84.07
Standard Deviation	29.88	22.59	7.04

Based on this analysis, a reasonable conclusion is $85.00 per usable square foot. For further support, we are aware of a Meeting Street property that recently sold, and was a pending contract for nearly 5 years at about $95.00 per square foot. It has a superior zoning which allows the highest density residential with a mix of office and retail on the ground floor which is superior to this property. Adjusting for changes in market conditions indicates an adjusted value of about $116.00 per square foot. After adjustments, it indicates about $85.00 per square foot which is within the range of comparable sales.

Applying this unit price, $85.00 per square foot, to the land area in Lot D, results in a conclusion of $12,070,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot D	142,005 square feet	x	**$85.00 psf**	=	**$12,070,000**

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Conclusion – Lot B

Furthermore, consideration was given to the Lot B Tract, which consists of 138,085 square feet. It shares the same physical characteristics as Lot D, and therefore, a similar unit value of $85.00 per usable square foot is reasonable. Applying this to the Lot B area indicates a conclusion of $11,740,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot B	138,085 square feet	x	**$85.00 psf**	=	**$11,740,000**

Conclusion – Lot C

Finally, consideration was given to the Lot C Tract, which consists of 34,412 square feet. It shares the same physical characteristics as Lot D. However, as described in detail earlier, it's a long and narrow site, with a slight bend towards North Hanover Street. This significantly limits development possibilities due to size constraints. We have examples in this market of properties with limited utility that show discounts from about 50% to about 90%. In this case, there are numerous sites with narrow frontage and longer depths. Therefore, a reasonable adjustment for diminished utility is 50% which indicates a conclusion of $1,450,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot C	34,412 square feet	x	**$42.50 psf**	=	**$1,460,000**

Based on this analysis, the various land values are summarized as follows:

Tract	Size		Unit Value Estimate		Conclusions
Lot B	138,085 square feet	x	**$85.00 psf**	=	**$11,740,000**
Lot C	34,412 square feet	x	**$42.50 psf**	=	**$1,460,000**
Lot D	142,005 square feet	x	**$85.00 psf**	=	**$12,070,000**

The conclusions are based on three separate properties which can be sold at different times to different purchasers. The scope of the assignment is to estimate the market value of the property to a single purchaser. The possibility exists a purchaser may only want Lot B or D and after one of those is sold, the highest and best use of the remaining lot is to hold for future development after the project on the lot sold is complete or nearly complete.

The possibility exists the only logical purchaser of Lot C with limited utility is for assemblage with Lot B and / or D. It is less likely to be purchased for development on its own.

There is a theory in real estate the sum of the "parts do not equal the whole". We have individually valued the three properties because they are in different ownership and not contiguous (Lot B and D are separated by Lot C). Therefore, we have discounted the gross potential sales, $25,270,000 to present value using a discount factor at the current loan rate plus the rate of anticipated property appreciation.

I am aware of a recent loan on land with similar development potential at 6.5% amortized over 25% with a 70% loan to value ratio. Earlier, property appreciation is concluded to be 4.0% so that is added to the cost of funds. Therefore, a reasonable discount rate is 10.5%.

Lot	Market Value
Lot B	$11,740,000
Lot C	$1,460,000
Lot D	$12,070,000
Gross Potential Sales	**$25,270,000**
Discounted at 10.5%	**0.90498**
Market Value	**$22,868,778**
Rounded to	**$22,870,000**

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Land Valuation – No Tech Overlay

In the previous section, we used Five sales for comparison with the subject "as is". Our largest consideration for adjustment was for Zoning – specifically adjusting for the Tech Overlay. Without the Tech overlay, the only restrictions on the site are limited to height under the PUD – eight story max.

Therefore, making the following adjustments:

Zoning

Sales 1, 2 and 3 are all zoned UP – The Upper Peninsula District. This is intended to accommodate a mixture of dense residential and commercial and uses and taller buildings in the upper portion of the peninsula using incentives designed to promote ecology, mobility, energy efficiency, diverse housing and privately maintained outdoor spaces accessible to the public. For each of these sales, we believe that the developers intent is for mixed uses to take advantage of the higher density zoning.

With the subject limited to only Eight Stories, the UP zoning is superior and we have made a negative adjustment of 10% to each of these to reflect.

Sale 4 is zoned General Business, which on its own is the most intensive commercial zoning district. However, any residential use must be approved by special exception.

The subject is superior to this and therefore this sale was positively adjusted 30%.

Sale 5 had the UP Zoning, but several attempts to purchase the site for residential uses were unsuccessful. Ultimately the buyer chose to develop the site with a large office building with some retail uses on the ground floor.

Again, since the site was not utilized for its full residential potential, we made a positive 20% adjustment to reflect.

No other adjustments were deemed necessary.

Summary of Adjustments

A summary of the adjustments is presented in the following table:

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Land Sales Adjustment Grid

	Subject	Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5
Sale ID		1810557	1443568	1790380	1776025	67240
Date of Value & Sale	September-25	July-25	April-25	January-23	October-22	May-19
Unadjusted Sales Price		$2,200,000	$24,500,000	$10,000,000	$1,200,000	$6,000,000
Usable Square Feet	142,005	20,909	193,842	144,619	18,731	104,544
Unadjusted Sales Price per Usable Sq. Ft.		**$105.22**	**$126.39**	**$69.15**	**$64.06**	**$57.39**
Transactional Adjustments						
Property Rights Conveyed	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$57.39
Financing Terms	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$57.39
Conditions of Sale	*Typical*	*Typical*	*Typical*	*Typical*	*Typical*	*Typical*
Adjustment		-	-	-	-	21.3%
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$69.59
Expenditures after Sale						
Adjusted Sales Price		**$105.22**	**$126.39**	**$69.15**	**$64.06**	**$69.59**
Market Conditions Adjustments						
Elapsed Time from Date of Value		*0.21 years*	*0.45 years*	*2.68 years*	*2.93 years*	*6.33 years*
Market Trend Through	January-25	-	-	7.9%	8.9%	22.5%
Subsequent Trend Ending	September-25	-	-	-	-	-
Analyzed Sales Price		**$105.22**	**$126.39**	**$74.63**	**$69.77**	**$85.24**
Physical Adjustments						
Location	*993-995 Morrison Drive Charleston, South Carolina*	*1659 & 1663 Meeting Street Road Charleston, South Carolina*	*1142 Morrison Drive Charleston, South Carolina*	*1590 Meeting Street Charleston, South Carolina*	*637 Rutledge Avenue Charleston, South Carolina*	*1074 North Morrison Drive Charleston, South Carolina*
Adjustment		25.0%	-	25.0%	25.0%	-
Size	*142005*	*20,909 sf*	*193,842 sf*	*144,619 sf*	*18,731 sf*	*104,544 sf*
Adjustment		-14.0%	2.0%	-	-15.0%	-3.0%
Zoning	*PUD and TC*	*UP*	*UP*	*UP*	*GB*	*UP*
Adjustment		-10.0%	-10.0%	-10.0%	30.0%	20.0%
Net Physical Adjustment		1.0%	-8.0%	15.0%	40.0%	17.0%
Adjusted Sales Price per Usable Square Foot		**$106.27**	**$116.28**	**$85.82**	**$97.68**	**$99.73**

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Conclusion – Lot D

The comparable sales were adjusted based on pertinent elements of comparison with the unadjusted and adjusted unit sales prices presented in the following table:

Land Sale Statistics

Metric	Unadjusted	Analyzed	Adjusted
Min. Sales Price per Usable Square Foot	$57.39	$69.77	$85.82
Max. Sales Price per Usable Square Foot	$126.39	$126.39	$116.28
Median Sales Price per Usable Square Foot	$69.15	$85.24	$99.73
Mean Sales Price per Usable Square Foot	$84.44	$92.25	$101.16
Standard Deviation	29.88	23.45	11.23

As mentioned above, after adjusting for changes in market conditions to the Meeting Steet Property above indicates an adjusted value of about $116.00 per square foot. After adjustments for slightly superior zoning, it indicates about $104.40 per square foot which is within the range of comparable sales. Therefore, we have concluded a land value of $105.00 per square foot.

Land Value Conclusion				
Reasonable Adjusted Comparable Range				
142,005 square feet	x	$84.00 psf	=	$11,928,420
142,005 square feet	x	$110.00 psf	=	$15,620,550
Market Value Opinion				(Rounded)
142,005 square feet	x	**$105.00 psf**	=	**$14,910,000**

Conclusion – Lot B

Furthermore, consideration was given to the Lot B Tract, which consists of 138,085 square feet. It shares the same physical characteristics as Lot D, and therefore, a similar unit value of $105.00 per usable square foot is reasonable. Applying this to the Lot B area indicates a conclusion of $14,500,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot B	138,085 square feet	x	**$105.00 psf**	=	**$14,500,000**

Conclusion – Lot C

Finally, consideration was given to the Lot C Tract, which consists of 34,412 square feet. It shares the same physical characteristics as Lot D. However, as described in detail earlier, it's a long and narrow site, with a slight bend towards North Hanover Street. This significantly limits development possibilities due to size constraints. We have examples in this market of properties with limited utility that show discounts from about 50% to about 90%. In this case, there are numerous sites with narrow frontage and longer depths. Therefore, a reasonable adjustment for diminished utility is 50% which indicates a conclusion of $1,810,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot C	34,412 square feet	x	**$52.50 psf**	=	**$1,810,000**

Based on this analysis, the various land values are summarized as follows:

Land Value Conclusions

Tract	Size		Unit Value Estimate		Conclusions
Lot B	138,085 square feet	x	**$105.00 psf**	=	**$14,500,000**
Lot C	34,412 square feet	x	**$52.50 psf**	=	**$1,810,000**
Lot D	142,005 square feet	x	**$105.00 psf**	=	**$14,910,000**

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As discussed earlier, the conclusions are based on three separate properties which can be sold at different times to different purchasers. As was done before, we have discounted the gross potential sales, $31,220,000 to present value using a discount factor at the current loan rate plus the rate of anticipated property appreciation. Therefore, a reasonable discount rate is 10.5%.

Lot	Market Value
Lot B	$14,500,000
Lot C	$1,810,000
Lot D	$14,910,000
Gross Potential Sales	**$31,220,000**
Discounted at 10.5%	**0.90498**
Market Value	**$28,253,394**
Rounded to	**$28,250,000**

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Land Value - Workforce Housing Restrictions

According to our client, there are possible restrictions that may be placed on the subject sites. Even with the Tech Overlay removed, there is a possibility of a 50% minimum workforce housing requirement placed on the properties. You are referred to the following chart with a breakdown of the proposed restrictions:

Potential Property Restrictions (Workforce Housing Limits)

% Total Site	Limits
20%	Not to Exceed 120% AMI
10%	Not to Exceed 100% AMI
10%	Not to Exceed 80% AMI
10%	Not to Exceed 60% AMI
50%	Total residential Units subject to affordability limits (**workforce housing)

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South Carolina's 2025 rent limits are set by the U.S. Department of Housing and Urban Development (HUD) based on the Area Median Income (AMI) and are released annually around April 1st, for the Fiscal year that starts on June 1. The City of Charleston has posted the following rents for the 2025-2026 year:

CITY OF CHARLESTON
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT
2025 - 2026 RENTAL RATES

Rents effective June 1, 2025

Charleston-North Charleston-Summerville, MSA

	Efficiency/Studio	*1 Bedroom*	*2 Bedrooms*	*3 Bedrooms*	*4 Bedrooms*
HOME Rent Limit (Families earning up to 50% AMI)	$971	$1,040	$1,248	$1,441	$1,608
HOME Rent Limit (Families earning up to 65% AMI)	$1,243	$1,333	$1,601	$1,841	$2,034
Fair Market Rent [Section 8 limits]	$1,583	$1,644	$1,820	$2,255	$2,653
Workforce Housing Rents 30% of published 120% Income limit	**	$2,331.00	$2,664.00	$2,995.00	
Workforce Housing Rents 30% of published 100% Income limit	**	$1,942.50	$2,220.00	$2,497.50	
Workforce Housing Rents 30% of published 80% Income limit	**	$1,554.00	$1,775.00	$1,996.25	
Workforce Housing Rents 30% of published 60% Income limit	$1,075.50	$1,165.50	$1,332.00	$1,498.50	

**Use Fair Market rent

Fair Market Rents (FMRs) determine the eligibility of rental housing units for the Section 8 Housing Assistance Payments program. Section 8 Rental Certificate program participants cannot rent units whose rents exceed the FMRs. FMRs also serve as the payment standard used to calculate subsidies under the Rental Voucher program. FMRs are gross rent estimates. They include the shelter rent plus the cost of all utilities, except telephones. HUD sets FMRs to assure that a sufficient supply of rental housing is available to program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible.

These rates represent the most developers can charge for various types of units and various levels of income. On the next page, we have taken local market rents in the downtown Charleston sub-market, and applied them against the maximum limits shown above.

Potential Property Restrictions (Workforce Housing Limits)

% Total Site	Limits	Max Rents			
		Efficiency	1BR	2BR	3BR
20%	Not to Exceed 120% AMI	-	$2,208.00	$2,523.00	$2,838.00
	Market Rents		*$2,162.00*	*$2,476.00*	*$5,500.00*
	Implied Discount		**-**	**-**	***-48.40%***
10%	Not to Exceed 100% AMI	-	$1,840.00	$2,102.50	$2,365.00
	Market Rents		*$2,162.00*	*$2,476.00*	*$5,500.00*
	Implied Discount		***-14.89%***	***-15.08%***	***-57.00%***
10%	Not to Exceed 80% AMI	-	$1,472.50	$1,682.50	$1,892.50
	Market Rents		*$2,162.00*	*$2,476.00*	*$5,500.00*
	Implied Discount		***-31.89%***	***-32.05%***	***-65.59%***
10%	Not to Exceed 60% AMI	$1,019.00	$1,104.00	$1,261.50	$1,419.00
	Market Rents	*$1,749.00*	*$2,162.00*	*$2,476.00*	*$5,500.00*
	Implied Discount	***-41.74%***	***-48.94%***	***-49.05%***	***-74.20%***

As indicated, the restricted rents show discounts of around 15% to a high of nearly 75%.

Using an average discount for each income threshold, and weighting that against the total percentage of units, we were able to calculate a discount to the land, as shown below:

Potential Property Restrictions (Workforce Housing Limits)

% Total Site	Limits	Max Rents				Average Discount	Weighted
		Efficiency	1BR	2BR	3BR		
20%	Not to Exceed 120% AMI	-	$2,208.00	$2,523.00	$2,838.00		
	Market Rents		*$2,162.00*	*$2,476.00*	*$5,500.00*		
	Implied Discount		**-**	**-**	***-48.40%***	***-48.40%***	***-9.68%***
10%	Not to Exceed 100% AMI	-	$1,840.00	$2,102.50	$2,365.00		
	Market Rents		*$2,162.00*	*$2,476.00*	*$5,500.00*		
	Implied Discount		***-14.89%***	***-15.08%***	***-57.00%***	***-28.99%***	***-2.90%***
10%	Not to Exceed 80% AMI	-	$1,472.50	$1,682.50	$1,892.50		
	Market Rents		*$2,162.00*	*$2,476.00*	*$5,500.00*		
	Implied Discount		***-31.89%***	***-32.05%***	***-65.59%***	***-43.18%***	***-4.32%***
10%	Not to Exceed 60% AMI	$1,019.00	$1,104.00	$1,261.50	$1,419.00		
	Market Rents	*$1,749.00*	*$2,162.00*	*$2,476.00*	*$5,500.00*		
	Implied Discount	***-41.74%***	***-48.94%***	***-49.05%***	***-74.20%***	***-57.40%***	***-5.74%***
50%	Total residential Units subject to affordability limits						***-22.64%***
	(**workforce housing)					***Reconciled***	***-20.00%***

The weighted discount for the property is about 20%. We used this in an updated land value analysis that follows:

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Land Sales Adjustment Grid

	Subject	Sale # 1	Sale # 2	Sale # 3	Sale # 4	Sale # 5
Sale ID		1810557	1443568	1790380	1776025	67240
Date of Value & Sale	September-25	July-25	April-25	January-23	October-22	May-19
Unadjusted Sales Price		$2,200,000	$24,500,000	$10,000,000	$1,200,000	$6,000,000
Usable Square Feet	142,005	20,909	193,842	144,619	18,731	104,544
Unadjusted Sales Price per Usable Sq. Ft.		**$105.22**	**$126.39**	**$69.15**	**$64.06**	**$57.39**
Transactional Adjustments						
Property Rights Conveyed	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*	*Fee Simple*
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$57.39
Financing Terms	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*	*Cash to Seller*
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$57.39
Conditions of Sale	*Typical*	*Typical*	*Typical*	*Typical*	*Typical*	*Typical*
Adjustment		-	-	-	-	21.3%
Adjusted Sales Price		$105.22	$126.39	$69.15	$64.06	$69.59
Expenditures after Sale Adjusted Sales Price		**$105.22**	**$126.39**	**$69.15**	**$64.06**	**$69.59**
Market Conditions Adjustments						
Elapsed Time from Date of Value		*0.21 years*	*0.45 years*	*2.68 years*	*2.93 years*	*6.33 years*
Market Trend Through	January-25	-	-	9.9%	11.1%	28.1%
Subsequent Trend Ending	September-25	-	-	-	-	-
Analyzed Sales Price		**$105.22**	**$126.39**	**$76.00**	**$71.20**	**$89.15**
Physical Adjustments						
Location	*993-995 Morrison Drive Charleston, South Carolina*	*1659 & 1663 Meeting Street Road Charleston, South Carolina*	*1142 Morrison Drive Charleston, South Carolina*	*1590 Meeting Street Charleston, South Carolina*	*637 Rutledge Avenue Charleston, South Carolina*	*1074 North Morrison Drive Charleston, South Carolina*
Adjustment		25.0%	-	25.0%	25.0%	-
Size	*142,005 sf*	*20,909 sf*	*193,842 sf*	*144,619 sf*	*18,731 sf*	*104,544 sf*
Adjustment		-14.0%	2.0%	-	-15.0%	-3.0%
Zoning	*PUD and TC*	*UP*	*UP*	*UP*	*GB*	*UP*
Adjustment		-10.0%	-10.0%	-10.0%	30.0%	20.0%
Workforce Housing Requirements	*50%*	*None*	*None*	*None*	*None*	*None*
Adjustment		-20.0%	-20.0%	-20.0%	-20.0%	-20.0%
Net Physical Adjustment		-19.0%	-28.0%	-5.0%	20.0%	-3.0%
Adjusted Sales Price per Usable Square Foot		**$85.23**	**$91.00**	**$72.20**	**$85.44**	**$86.47**

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Conclusion – Lot D

The comparable sales were adjusted based on pertinent elements of comparison with the unadjusted and adjusted unit sales prices presented in the following table:

Land Sale Statistics

Metric	Unadjusted	Analyzed	Adjusted
Min. Sales Price per Usable Square Foot	$57.39	$71.20	$72.20
Max. Sales Price per Usable Square Foot	$126.39	$126.39	$91.00
Median Sales Price per Usable Square Foot	$69.15	$89.15	$85.44
Mean Sales Price per Usable Square Foot	$84.44	$93.59	$84.07
Standard Deviation	29.88	22.59	7.04

After adjustments for the workforce restrictions, we have concluded a land value of $84.00 per square foot.

Land Value Conclusion				
Reasonable Adjusted Comparable Range				
142,005 square feet	x	$72.00 psf	=	$10,224,360
142,005 square feet	x	$91.00 psf	=	$12,922,455
Market Value Opinion				(Rounded)
142,005 square feet	x	**$84.00 psf**	=	**$11,930,000**

Conclusion – Lot B

Furthermore, consideration was given to the Lot B Tract, which consists of 138,085 square feet. It shares the same physical characteristics as Lot D, and therefore, a similar unit value of $84.00 per usable square foot is reasonable. Applying this to the Lot B area indicates a conclusion of $11,600,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot B	138,085 square feet	x	**$84.00 psf**	=	**$11,600,000**

Conclusion – Lot C

Finally, consideration was given to the Lot C Tract, which consists of 34,412 square feet. It shares the same physical characteristics as Lot D. However, as described in detail earlier, it's a long and narrow site, with a slight bend towards North Hanover Street. This significantly limits development possibilities due to size constraints. We have examples in this market of properties with limited utility that show discounts from about 50% to about 90%. In this case, there are numerous sites with narrow frontage and longer depths. Therefore, a reasonable adjustment for diminished utility is 50% which indicates a conclusion of $1,380,000.

Tract	Size		Unit Value Estimate		Conclusions
Lot C	34,412 square feet	x	**$42.00 psf**	=	**$1,450,000**

Based on this analysis, the various land values are summarized as follows:

Land Value Conclusions

Tract	Size		Unit Value Estimate		Conclusions
Lot B	138,085 square feet	x	**$84.00 psf**	=	**$11,600,000**
Lot C	34,412 square feet	x	**$42.00 psf**	=	**$1,450,000**
Lot D	142,005 square feet	x	**$84.00 psf**	=	**$11,930,000**

As discussed earlier, the conclusions are based on three separate properties which can be sold at different times to different purchasers. As was done before, we have discounted the gross potential sales, $24,980,000 to present value using a discount factor at the current loan rate plus the rate of anticipated property appreciation. Therefore, a reasonable discount rate is 10.5%.

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Lot	Market Value
Lot B	$11,600,000
Lot C	$1,450,000
Lot D	$11,930,000
Gross Potential Sales	**$24,980,000**
Discounted at 10.5%	**0.90498**
Market Value	**$22,606,335**
Rounded to	**$22,610,000**

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Reconciliation

Summary of Value Indications

The conclusions are summarized in the following table.

Value Indications

Approach to Value	Market Value	Market Value Assuming No TC Overlay	Market Value with Workforce Housing Requirements
Sales Comparison	$22,870,000	$28,250,000	$22,610,000
Cost	Not Developed	Not Developed	Not Developed
Income Capitalization	Not Developed	Not Developed	Not Developed

Value Conclusions

Component	Market Value	Market Value Assuming No TC Overlay	Market Value with Workforce Housing Requirements
Value Type	Market Value	Market Value	Market Value
Real Property Interest	Fee Simple	Fee Simple	Fee Simple
Effective Date of Value	September 15, 2025	September 15, 2025	September 15, 2025
Value Conclusion	**$22,870,000**	**$28,250,000**	**$22,610,000**
	$72.72 PSF	**$89.82 PSF**	**$71.89 PSF**

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The findings and conclusions are further contingent upon the following extraordinary assumptions and/or hypothetical conditions, the use of which might have affected the assignment results:

Extraordinary Assumptions:

- None

Hypothetical Conditions:

- For one of our value scenarios, we have made the assumption that the Tech Overlay District is not in place and has no effect on the development of the site.
- For another of our value scenarios, we have made the assumption that the Workforce Housing requirements are in place limiting rental potential.

Exposure Time and Marketing Period

Marketing and exposure time estimates of 6 to 12 months and 6 to 12 months, respectively, are reasonable and appropriate.

General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and limiting conditions:

1. The legal description is assumed to be correct, but the appraiser makes no representations or guarantees as to its accuracy.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Charleston will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the Client hire an expert if the presence of hazardous materials or contamination is of concern to the Client. Client means the Client as defined in the appraisal report.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner, employee, agent, or independent contractor of Valbridge Property Advisors | Charleston is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, Client shall compensate Appraiser for the time spent by the partner, employee, agent, or independent contractor in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses, regardless of whether the Client is the party seeking the appearance of testimony.
7. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
8. The dates of value to which the opinions expressed in this report apply are set forth in this report. The appraiser assumes no responsibility for economic or physical factors occurring at any other date(s), which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining and makes no representations regarding whether the date(s) of value requested by Client is appropriate for Client's intended use.
9. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
10. The information, estimates, and opinions, which were obtained from outside sources are considered reliable. However, the appraiser makes no representations regarding such sources, and no liability for them can be assumed by the appraiser.

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11. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without the appraiser's prior express written consent and approval.

12. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. The appraiser claims no expertise and makes no representations in areas such as, but not limited to, legal, survey, structural, environmental, quality of construction, pest control, mechanical, etc. It is recommended that the Client hire an expert, such as a home inspector, if these areas are of concern to the Client.

13. This appraisal was prepared for the sole and exclusive use of the Client for the function outlined herein. Any party who is not the Client or intended user, as identified in the appraisal, is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Charleston and Client. The Client shall not include partners, members, stockholders, shareholders, affiliates, or relatives of the Client. The appraiser makes no representations and assumes no obligation, liability or accountability to any third party.

14. Distribution of this report is at the sole discretion of the Client, as identified in the appraisal, but the appraiser makes no representations to third parties not listed as an intended user on the face of the appraisal and such third parties may not rely upon the contents of the appraisal, including but not limited to the estimate of value. In no event shall the Client give a third-party a partial copy of the appraisal report. The appraiser will make no distribution of the report without the specific direction of the Client.

15. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Charleston.

16. This appraisal should be considered in its entirety. No part thereof shall be used separately or out of context.

17. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, the appraiser has not completed, nor has the appraiser contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no representations or guarantees, express or implied, regarding this determination.

18. The flood maps are not site specific. The appraiser is not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the Client obtain confirmation of the subject property's flood zone classification from a licensed surveyor.

19. If the appraisal is for mortgage loan purposes 1) the appraiser assumes satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.

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20. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No representations are made, and no responsibility is assumed for such conditions or for engineering which may be required to discover them.

21. The appraiser's inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. To the extent dictated by the scope of assignment, the appraiser inspected the buildings involved and reported open and obvious damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no representation or guarantee of the amount or degree of damage (if any) is implied. The condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the Client have concerns in these areas, it is the Client's responsibility to order the appropriate inspections. The appraiser is not a home inspector or pest control expert and does not have the skill or expertise to make such inspections, makes no representations regarding these items, and assumes no responsibility for these items.

22. This appraisal does not guarantee compliance with the building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

23. When possible, the appraiser relied upon building measurements provided by the Client, owner, or associated agents of these parties. In the absence of reliable public records or "as-built" plans provided, to the appraiser relied upon his/her own measurements of the subject improvements. The appraiser follows typical appraisal industry methods; however, the appraiser recognizes that some factors may limit the ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment and the appraiser makes no representations concerning this information.

24. The appraiser has attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by the appraiser to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, the appraiser cannot guarantee and makes no representations regarding their accuracy. Should the Client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the Client, the appraiser will submit a revised report for an additional fee.

25. In the absence of being provided with a detailed land survey, the appraiser used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the Client, the appraiser will submit a revised report for an additional fee.

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26. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences, upon request of the Client, the appraiser will submit a revised report for an additional fee.

27. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed, and no representations are made regarding any such conditions, or for any expertise or engineering knowledge required for discovery. The Client is urged to retain an expert in this field, if desired.

28. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraiser has not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since the appraiser has no direct evidence relating to this issue, the appraiser did not consider possible noncompliance with the requirements of ADA in developing an opinion of value. It is recommended that the Client hire an expert, such as an attorney or other qualified expert, if ADA compliance is an area of concern to the Client.

29. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

30. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

31. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. As such, the appraiser makes no representations regarding such income or expense estimates and the intended user(s) of the appraisal may not rely on such estimates.

32. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, the appraiser strongly recommends that the Client obtain estimates from professionals experienced in establishing insurance coverage. The appraiser makes no representations regarding such insurable value, and any analysis should not be relied upon to determine insurance coverage and the appraiser makes no representations regarding the accuracy of this estimate.

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33. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. Subject to the Uniform Standards of Professional Appraisal Practice, the appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the Client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

34. The Client and Valbridge Property Advisors | Charleston both agree that any dispute over matters in excess of $5,000 shall be submitted for resolution by mandatory arbitration pursuant to the rules of the American Arbitration Association. This includes fee disputes and any claim of malpractice. The parties agree to a sole arbitrator, who shall be mutually selected. The arbitration shall be held in Charleston County, South Carolina, unless otherwise expressly agreed to between the parties. Such arbitration shall be binding and final. In agreeing to arbitration, both parties acknowledge that, by agreeing to binding arbitration, each is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the Client, or any other party, makes a claim against Valbridge Property Advisors | Charleston or any of its employees, agents, representatives, or independent contractors in connection with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Charleston for this assignment, and under no circumstances shall any claim for consequential, incidental, or punitive damages be made.

35. Valbridge Property Advisors | Charleston shall have no obligation, liability, or accountability to any third party. Any party who is not the "Client" or intended user identified on the face of the appraisal is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Charleston. "Client" shall not include partners, members, stockholders, shareholders, affiliates, or relatives of the party identified as the Client in the appraisal. Client shall indemnify, defend (including the reimbursement of reasonable attorneys' fees), and hold Valbridge Property Advisors | Charleston and its employees, agents, representatives, and/or independent contractors harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment, including claims that arise solely out of the negligence of the appraiser or Valbridge Property Advisors | Charleston. The Client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, Client shall indemnify, defend (including the reimbursement of reasonable attorneys' fees) and hold Valbridge Property Advisors | Charleston and its employees, agents, representatives, and independent contractors harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Charleston in such action, regardless of its outcome.

36. The appraiser responsible for the preparation for the appraisal report is an employee and/or independent contractor of Charleston. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services and has taken no part in the preparation of this report.

37. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

38. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

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Certification – Karl P. Finkelstein

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned Karl P. Finkelstein has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Karl P. Finkelstein has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to those signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Karl P. Finkelstein completed the continuing education program for Designated Members of the Appraisal Institute.

Karl P. Finkelstein, MAI, AI-GRS
Senior Managing Director
South Carolina Certified General CG 3396
Expires 06/30/2026

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Certification – Pledger M. Bishop, III

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned Pledger M. Bishop, III performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Pledger M. Bishop, III did not personally inspect the subject property.
10. No one provided significant real property appraisal assistance to those signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Pledger M. Bishop, III completed the continuing education program for Designated Members of the Appraisal Institute.

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Pledger M. "Jody" Bishop III, MAI, SRA, AI-GRS, CRE
Senior Managing Director
South Carolina Certified General CG 795
Expires 6/30/2026

Addenda

Engagement Letter

Glossary

Qualifications

- Karl P. Finkelstein, MAI, AI-GRS - Senior Managing Director
- Pledger M. Bishop, III, MAI, SRA, AI-GRS, CRE - Senior Managing Director

Information on Valbridge Property Advisors

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Letter of Engagement

Valbridge
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CHARLESTON

July 22, 2025

JOSH MARTIN
Special Advisor
City of Charleston | Executive Department
80 Broad Street
Charleston, SC 29401

RE: Quote for appraisal of 993 – 995 Morrison Drive and the Right of Way parcel separating the properties in Charleston, SC

Dear Mr. Martin:

Thank you for the opportunity to submit a fee quote for an appraisal of the referenced properties which consists of 3 adjacent parcels – 993 Morrison Drive which is a vacant 3.26-acre parcel; 995 Morrison Drive which is a vacant 3.17-acre parcel and a .72 acre right of way parcel that separates 993 – 995 Morrison Drive. 993 – 995 Morrison Drive are owned by Charleston County and the right of way parcel is owned by LRA Promenade LLC.

The City of Charleston is the client. The intended users include the client and you. It is my understanding that the report will be used for support in negotiating a purchase price for the properties.

The effective date(s) of value is the current date and the property rights appraised will be the fee simple interest.

If the property interest to be valued is a "leased fee," the appraisal will not include any valuation of the property as if the lease(s) on the property are no longer in place (in a "go dark" status"), unless requested by Client and stated in this Agreement.

The anticipated scope of work will include general property inspection for real estate appraisal purposes, analyses of the market for like properties and a conclusion of market value. The definition of the type of value will be stated in the report. Valbridge Property Advisors | Charleston is not responsible for determining whether the type of value stated for this assignment is appropriate for Client's intended use, as that determination may be a legal matter or the subject of Client's internal requirements. A current value is not a prediction of any future value or a representation of the price the property may be sold for in distress or foreclosure. If a different type of value is necessary, please inform us prior to executing this Agreement.

This quote is for real estate appraisal reports which will conform with and will be subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice (USPAP). The services performed under this Agreement will be subject to the attached Standard Terms and Conditions, which are incorporated into and form a material part of this Agreement. Each appraisal will also be subject to the General Assumptions and Limiting Conditions which will be included within the report. These are also found at the end of this Agreement. If modification of

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the General Assumptions and Limiting Conditions is required by Client, please inform us of that requirement prior to executing this Agreement, so that we can reach agreement on any modifications.

I have no current or prospective interest in the referenced properties or in the Client(s). I have not performed any prior services regarding the referenced properties within the three-year period immediately preceding the date of this Agreement, as an appraiser or in any other capacity.

Valbridge Property Advisors | Charleston will use its best efforts to deliver the appraisal report no later than such date. Delivery of the report is contingent on Valbridge Property Advisors | Charleston's timely receipt of information and documentation from Client and other parties, as well as access to the property if necessary for the scope of work. In the event of a delay, Valbridge Property Advisors | Charleston will inform Client as soon as reasonably practicable.

My fee(s) for this assignment(s) are not to exceed $12,000 and I anticipate a completion date of about 3 - 4 weeks from authorization to proceed which is evidenced by you returning this quote to me with your signature.

As part of our contract for services, the client(s) will pay all costs and expenses incurred by Valbridge Property Advisors | Charleston, in collecting any unpaid past due amounts from Purchaser hereunder, to include but not limited to court costs, all other expenses, incurred by Valbridge Property Advisors | Charleston in litigation, and a reasonable attorney fee. The aggregate amount of all fees and expenses for which Valbridge Property Advisors | Charleston is entitled to reimbursement shall be added to, and become a part of any judgment entered against Client and in favor of Valbridge Property Advisors | Charleston.

Late payments shall draw interest at the rate of 1.5% per month from the due date. Accrued interest is immediately due and payable, and interest shall accrue on unpaid at the rate of 1.5% per month until paid in full. Interest will accrue on any judgment obtained by Valbridge Property Advisors | Charleston, for payment and interest due at the rate of 18% per annum. Any payments received shall be applied first to the reduction of interest then to the principal.

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Valbridge Property Advisors | Charleston

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Once again, thank you for the opportunity to submit this fee quote. Please contact me if you need any additional information.

Respectfully submitted,
Valbridge Property Advisors | Charleston

Pledger M. "Jody" Bishop III, MAI, SRA, AI-GRS, CRE
SC State Certified General
Real Estate Appraiser
License #CG795

AGREED AND ACCEPTED

~~Josh Martin~~ on behalf of
The City of Charleston

23 July 2025
Date

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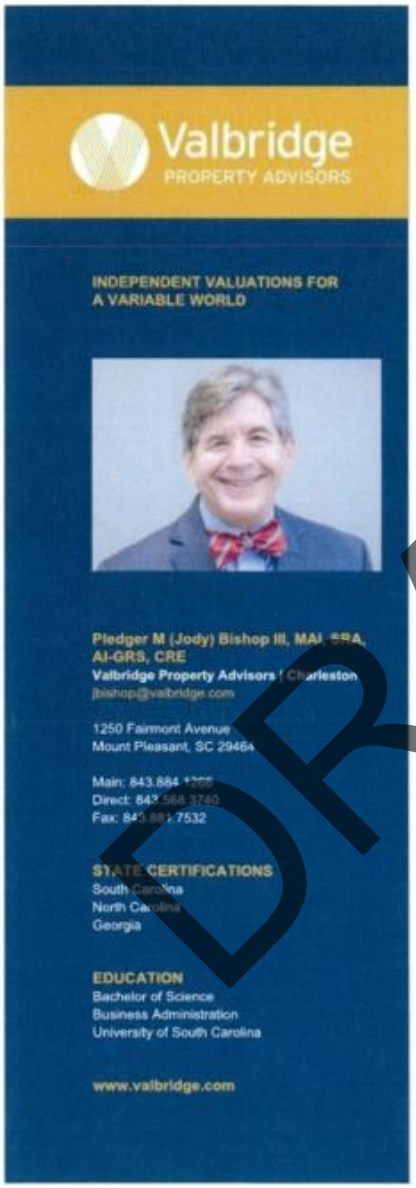

Pledger M (Jody) Bishop III, MAI, SRA, AI-GRS, CRE

President & CEO – Valbridge Property Advisors Inc.

Senior Managing Director
Valbridge Property Advisors | Charleston

MEMBERSHIPS & AFFILIATIONS

Appraisal Institute, Member

- **2022 President of The Appraisal Institute**
- 2021 President Elect
- 2022 Vice President
- AI-GRS Designation, 2018
- MAI Designation, 1995
- SRA Designation, 1989
- Chair General Demonstration Appraisal Grading Panel, 2017-2020
- Audit Committee Member, 2018-2019
- Edward W. "Lalo" Adams Outstanding Board Service Award, 2018
- AI Presidents Award, 2017
- Region IX Director, 2014-2018

National Association of Realtors

- CRE Designation, 2003

Charleston Trident Board of Realtors

- Board of Director Multiple Listing System
- Board of Realtors Professional Standards Committee
- Board of Realtors Grievance Committee

Elder Mount Pleasant Presbyterian Church
Member Charleston County Board of Assessment Appeals, 1993-1996

EXPERIENCE

Valbridge Property Advisors| Charleston - Senior Managing Director,2013-Present

Atlantic Appraisals, LLC – Associate 1990-1995 - Principal 1995 – 2013

Appraisal Consultants, Inc – 1986 – 1990

Charleston County Assessor's Office – 1984 - 1986

Testified in US HFSC Hearing Chaired by Representative Maxine Waters - 2022

Recognized as Expert Witness in various Courts of Law

Experienced in valuation of various commercial and residential Real Estate property including property valuations for Preservation and Conservation Easements, Valuation Review and Consulting assignments, and Valuations and Consultation for Property Tax Appeal

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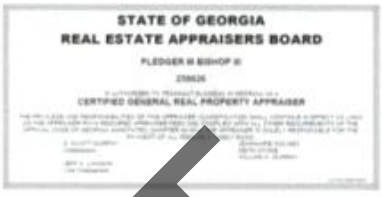

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STANDARD TERMS AND CONDITIONS
FOR SERVICES AGREEMENT

1. **"Personnel."** When capitalized, the term "Personnel" refers to all employees, partners, owners, shareholders, members, officers, directors or independent contractors of the respective party.
2. **Responsibility for Services.** Valbridge Property Advisors | Charleston is solely responsible for the services provided under this Agreement and the work product of its appraisers. Valbridge Property Advisors | Charleston is an independently owned and operated franchisee member firm of Valbridge Property Advisors Franchising System, LLC, which is a subsidiary of Valbridge Property Advisors, Inc. (both collectively referred to below as "VPA").

   VPA and its subsidiaries (including Valbridge Property Advisors Franchising System, LLC, Data Appraise Systems, LLC, and Valbridge Property Advisors Data Solutions, LLC) do not perform valuation services, are not being engaged to provide any services under this Agreement and have no responsibility concerning or liability for the services of Valbridge Property Advisors | Charleston or any appraisal or other work product.
3. **Appraisal Fee Changes.** The appraisal fee is based on an understanding of the assignment as outlined in the specifications for the appraisal. Changes in the scope of work or unanticipated matters concerning the property may result in a higher fee and will be billed at Valbridge Property Advisors | Charleston's regular hourly rates. If Client places the assignment "on hold" and then reactivates the assignment, an additional charge may apply due to the inefficiency created. If Client cancels the assignment prior to completion, Client agrees to pay for Valbridge Property Advisors | Charleston's costs and time incurred at its regular hourly rates prior to its receipt of written notice of such cancellation.
4. **Services Performed on an Hourly Basis.** If this assignment includes a provision for services performed on an hourly billing basis, the hourly rates for such services are subject to periodic adjustment to current rates. Valbridge Property Advisors | Charleston will provide 30 days' notice to Client prior to any rate increases. If Client chooses not to consent to the increased rates, Client may terminate the Agreement by written notice effective when received by Valbridge Property Advisors | Charleston. If this assignment includes a provision for services performed on an hourly billing basis, Client acknowledges that Valbridge Property Advisors | Charleston has not committed any total fee amount to be incurred by Client under this Agreement.
5. **Intended Users and Uses of Appraisal.** In accordance with applicable professional appraisal standards, each appraisal report will identify the client, any additional intended users, and the intended use(s) of the appraisal. Valbridge Property Advisors | Charleston shall have no responsibility, obligation or liability to any party who is not identified as the client or as an additional intended user in the appraisal report or for any uses of an appraisal that are not identified in the report. Any party who is not the client or an intended user is not entitled to use or rely on the appraisal without the express written consent of Valbridge Property Advisors | Charleston, notwithstanding that such a party may receive a copy of the report for compliance or informational purposes.
6. **Independence of Appraisal Services.** The services performed under this Agreement will be delivered in a manner that is independent, impartial and objective. Valbridge Property Advisors | Charleston's

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fees and Client's obligation to pay are not contingent on the value of the property, any other assignment results, the funding of any loan, or the outcome of any dispute or litigation. Any opinion expressed about the potential outcome of a matter or case are not guarantees of the outcome.

7. **Confidentiality**. Valbridge Property Advisors | Charleston and its Personnel will comply with all confidentiality duties imposed by applicable law and professional standards. Client agrees that Valbridge Property Advisors | Charleston may disclose the appraisal report, assignment results and other information relating to an appraisal, including information which may be considered confidential under applicable professional standards, to third parties as required by law or as necessary for compliance with professional standards. Client further consents to and authorizes Valbridge Property Advisors | Charleston to disclose the appraisal report, assignment results and other information relating to an appraisal, including information which may be considered confidential under applicable professional standards, as reasonably necessary to defending or responding to threatened or actual legal or regulatory actions or for insurance coverage of such matters.
8. **Testimony in Court or Other Proceedings.** Unless otherwise stated in this Agreement, Client agrees that Valbridge Property Advisors | Charleston's engagement under this Agreement does not include Valbridge Property Advisors | Charleston's or its Personnel's participation in or preparation for any oral or written testimony in a judicial, arbitration or administrative proceeding; or attendance at any judicial, arbitration or administrative proceeding relating to this assignment. The client will not designate or disclose Valbridge Property Advisors | Charleston or any of its Personnel as an expert witness in any court, arbitration or other proceeding without the prior written consent of Valbridge Property Advisors | Charleston.
9. **Subpoenas and Testimony.** In the event that Valbridge Property Advisors | Charleston or any of its Personnel is compelled by subpoena or other legal or administrative process to provide testimony or produce documents relating to the appraisal or services under this Agreement, whether in court, deposition, arbitration or any other proceeding, Valbridge Property Advisors | Charleston shall provide notice thereof to Client and Client agrees that Valbridge Property Advisors | Charleston or any of its Personnel may disclose such information as required to comply with such process and to compensate Valbridge Property Advisors | Charleston for the reasonable time incurred in connection with preparation for and provision of such testimony and/or documents at Valbridge Property Advisors | Charleston's rates in effect at that time and reimburse its reasonable actual expenses.
10. **Withdrawal Prior to Completion.** Valbridge Property Advisors | Charleston may terminate its rendition of services for the assignment(s) contemplated under this Agreement and withdraw without penalty or liability before completion or reporting of the appraisal in the event that it determines, at its sole discretion, that incomplete information was provided to Valbridge Property Advisors | Charleston prior to the engagement, that Client or other parties have not or cannot provide documentation or information necessary to Valbridge Property Advisors | Charleston's analysis or reporting, that conditions of the subject property render the original anticipated scope of work inappropriate, that Valbridge Property Advisors | Charleston becomes aware that a conflict of interest has arisen, or that Client has not complied with its payment obligations under this Agreement.
11. **Third-Party Beneficiaries of Agreement.** The Personnel of Valbridge Property Advisors | Charleston, VPA, its subsidiaries and their Personnel, and each franchisee and licensee of VPA assisting or providing any services in connection with the services to be provided under this Agreement and each

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of such franchisee's and licensee's Personnel (each a "**Third-Party Beneficiary**") shall each be an express third-party beneficiary of this Agreement and entitled to all of the rights and protections of and applicable to Valbridge Property Advisors | Charleston, and the limitations applicable to the Client, set forth herein (including, without limitation, the provisions regarding Intended Users and Uses of Appraisal, Maximum Time Period for Legal Actions, Mutual Limitations of Liability, Indemnification, Subpoenas and Testimony, Unauthorized Use or Publication, No Responsibility for Certain Conditions and Arbitration). Without limiting the foregoing, although VPA and its subsidiaries will provide no services under this Agreement, in the event of any legal claim or dispute, the following protections and limitations shall apply for the benefit of each Third-Party Beneficiary: Responsibility for Services, Intended Users and Uses of Appraisal, Maximum Time Period for Legal Actions, Mutual Limitations of Liability, Indemnification, Subpoenas and Testimony, No Responsibility for Certain Conditions and Arbitration, and no waiver, modification or amendment of such provisions shall apply to any Third-Party Beneficiary, unless such waiver, modification or amendment is in writing and executed by such Third-Party Beneficiary. There are no other third-party beneficiaries of this Agreement, or the services performed under this Agreement.

12. **No Unauthorized Use or Publication.** No part of an appraisal report or the opinions or conclusions stated in a report may be published or used in any advertising materials, property listings, investment offerings or prospectuses, or securities filings or statements without Valbridge Property Advisors | Charleston's prior written authorization. If Client publishes or uses the report or Valbridge Property Advisors | Charleston's work product without such authorization or provides the report or other work product for unauthorized use or publication, Client agrees to indemnify and hold Valbridge Property Advisors | Charleston and its Personnel harmless from and against all damages, liabilities, losses, causes of actions, expenses, claims and costs, including attorneys' fees, incurred in the investigation and/or defense of any claim arising from or in any way connected to the unauthorized use or publication.
13. **No Responsibility for Certain Conditions.** Notwithstanding that a report may comment on, analyze or assume certain conditions, unless otherwise stated in the report, Valbridge Property Advisors | Charleston and its Personnel shall have no responsibility for investigating and shall have no responsibility or liability for matters pertaining to: (a) title defects, liens or encumbrances affecting the property; (b) flood zones, earthquake zones, surveys, property lines or boundaries pertaining to the property; (c) the property's compliance with local, state or federal zoning, planning, building, occupancy permits, disability access, life safety and environmental laws, regulations and standards; (d) building permits and planning approvals for improvements on the property; (e) structural or mechanical soundness or safety; (f) contamination, mold, pollution, asbestos, storage tanks, subsoil conditions, animal or vermin infestations and hazardous conditions affecting the property; and (f) other conditions and matters for which real estate appraisers are not customarily deemed to have professional expertise. Unless otherwise noted, the appraisal will value the property as though free of pollution, hazardous materials or other contamination of any kind. Valbridge Property Advisors | Charleston will conduct no hazardous materials or contamination inspection of any kind.
14. **Maximum Time Period for Claims and Proceedings.** Unless the time period is shorter under applicable law and except for claims for indemnification pursuant to Section 19, each claim, cause of action, or other proceeding concerning or relating to this Agreement, or the services or the results of

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the services provided hereunder (each being a "**Claim**") between Client and Valbridge Property Advisors | Charleston shall be filed (whether in court or in an applicable arbitration tribunal), within two (2) years from the date of delivery to Client of the appraisal report to which the claims or causes of action relate or, in the case of acts or conduct after delivery of the report, two (2) years from the date of the alleged acts or conduct. The time period stated in this section shall: (a) not be extended by any delay in the discovery or accrual of the underlying claims, causes of action or damages, and (b) apply to all non-criminal claims or causes of action of any type, except for intentional fraud or intentionally wrongful conduct.

15. **Mutual Limitations of Liability.** Professional standards for the performance of real estate appraisals require that appraisers perform their services independently, impartially, and objectively. Clients and other users of appraisals often have separate legal or regulatory obligations imposed on them in relation to the appraisal process. The provisions of this section are designed to assure that an appraiser can render appraisal services in compliance with professional standards for reasonable compensation and to assure that clients and users can comply freely with their own professional and legal obligations, and any modifications hereof must be in writing and signed by the parties.
    a. **Limitations of Liability.** To the fullest extent permitted by applicable law, the maximum liability of Valbridge Property Advisors | Charleston and its Personnel to Client or to any third-party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) and of Client to Valbridge Property Advisors | Charleston for any Claim shall be limited to the total compensation actually paid to Valbridge Property Advisors | Charleston for the appraisal or other services that are the subject of the Claim.
    This limitation of liability extends to all types of Claims, whether in contract or tort, but excludes: (i) claims/causes of action for intentionally fraudulent or criminal conduct, intentionally caused injury, or unauthorized use or publication of the appraisal or work product or (ii) claims/causes of action by Valbridge Property Advisors | Charleston for the collection of unpaid compensation for the appraisal or other services (for which the maximum recovery shall be the total amount unpaid and owing to Valbridge Property Advisors | Charleston, plus applicable interest and late charges), or (iii) claims, causes of action, or other proceedings by Valbridge Property Advisors | Charleston or its Personnel against Client in accordance with Section 19 (each an "Indemnification Claim"), or for publication of any report other than as may be expressly permitted by this Agreement (each a "Publication Claim").
    b. **No Special or Consequential Damages.** Except in the case of an Indemnification Claim or a Publication Claim, neither Valbridge Property Advisors | Charleston/its Personnel nor Client shall be liable to one another or to any third party (regardless of whether such party's claimed use or reliance on the appraisal was authorized by Appraiser) claiming by or through any of them or as a result of an appraisal or the matters set forth in this Agreement for special or consequential damages, including, without limitation, loss of profits, prospective business opportunities, or damages caused by loss of use of any property, regardless of whether arising from negligence or a breach of this Agreement or otherwise, and regardless of whether a party was advised or knew of the possibility of such damages.
    c. **Application to Other Parties.** The limitations of liability in this section shall also apply to Claims against a Third-Party Beneficiary.

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16. **No Assignment of Claims.** No rights under this Agreement and no Claim may be assigned by any party, except: (i) if set forth in the scope of services or (ii) with regard to the collection of a bona fide existing debt for payment for the services.
17. **Internal Compliance Reviews.** The appraisal or other work product and files may be disclosed to and subject to evaluation by Valbridge Property Advisors, Inc. for internal compliance purposes. Such evaluations do not establish any responsibility to Client or any other parties. Client consents to disclosure of information relating to the appraisal for that purpose.
18. **Arbitration.** Except for the Claims described hereinbelow, each Claim shall be resolved by binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The place of arbitration shall be a mutually agreed location within the state in which the subject property is located. This arbitration requirement shall not apply to any Indemnification Claim, Publication Claim, or any Claim for monetary damages under $5,000, or for collection of amounts due pursuant to this Agreement and not timely or fully paid.
19. **Indemnification.** Client will defend, indemnify and hold Valbridge Property Advisors | Charleston and its Personnel (each being an "**Indemnified Party**") harmless from and against any liabilities, damages, obligations, costs, and expenses (including attorneys' fees) arising out of or suffered by an Indemnified Party from or in connection with any claim, cause of action, or other proceeding brought by a third party (a "**Third-Party Action**") where such Third-Party Action arises in connection with, results from, or is based in whole or in part upon: (a) publication of the appraisal report or all or any part of its content in a manner inconsistent with the terms of this Agreement, (b) use or reliance on the appraisal by a person, entity, or association not identified as an intended user, unless Valbridge Property Advisors | Charleston has consented in writing to adding such person as an intended user, (c) Client's provision of inaccurate information or documentation, (d) Client's provision of an incomplete copy of the appraisal report to any person, entity, or association, or (e) Client's use or provision of the appraisal for a purpose other than its identified intended use.
20. **Governing Law and Jurisdiction.** This Agreement and each Claim shall be governed by the law of the state in which Valbridge Property Advisors | Charleston's office performing the assignment is located, exclusive of that state's choice of law rules. Client and Valbridge Property Advisors | Charleston agree that, except for Indemnification Claims and Publication Claims, each Claim and each legal proceeding to enforce an arbitration award entered pursuant to the arbitration provision of this Agreement, shall be brought in a state or federal court having jurisdiction over the location of the Valbridge Property Advisors | Charleston's office performing the assignment, and the parties hereby waive any objections to the personal jurisdiction or venue of such court.
21. **Severability.** If any provision of this Agreement is held, in whole or part, to be void, unenforceable, or invalid for any reason, the remainder of that provision and the remainder of the entire Agreement shall be severable and remain in full force and effect.
22. **Execution of Agreement.** Execution of this Agreement and delivery of an executed copy by any party by electronic means will be as effective as delivery of a manually executed copy by such party. If any or all off services described in this Agreement are performed at Client's request or direction, but prior to or without Client's execution of the Agreement, the terms and conditions of this Agreement, including Client's obligation to pay, shall still apply.

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23. **Entire Agreement and Modifications.** This Agreement contains the entire agreement of the parties. No other agreement, statement or promise made on or before the effective date of this agreement will be binding on the parties. This Agreement may only be modified by a subsequent agreement of the parties in writing signed by all the parties.
24. **Survival.** Sections 0, 6, 8 through 10, and 12 through 23 of these Terms and Conditions shall survive and continue to be applicable after completion of the services described herein.

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General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and limiting conditions:

1. The legal description – if furnished to us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Charleston will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Charleston is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining whether the date of value requested by Client is appropriate for Client's intended use.
10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
11. The information, estimates and opinions, which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.

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12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Charleston and Client. The Client shall not include partners, affiliates, or relatives of the party addressed herein. The appraiser assumes no obligation, liability or accountability to any third party.
15. Distribution of this report is at the sole discretion of the client, but third-parties not listed as an intended user on the face of the appraisal or the engagement letter may not rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Charleston.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
19. The flood maps are not site specific. We are not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the client obtain a confirmation of the subject property's flood zone classification from a licensed surveyor.
20. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.
21. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.

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22. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the client have concerns in these areas, it is the client's responsibility to order the appropriate inspections. The appraiser does not have the skill or expertise to make such inspections and assumes no responsibility for these items.

23. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

24. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods, however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.

25. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the client, the appraiser will submit a revised report for an additional fee.

26. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the client, the appraiser will submit a revised report for an additional fee.

27. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences upon request of the client the appraiser will submit a revised report for an additional fee.

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28. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.

29. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.

30. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

31. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

32. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.

33. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.

34. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

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35. You and Valbridge Property Advisors | Charleston both agree that any dispute over matters in excess of $5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Charleston and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the client, or any other party, makes a claim against Valbridge Property Advisors | Charleston or any of its employees in connections with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Charleston for this assignment, and under no circumstances shall any claim for consequential damages be made.

36. Valbridge Property Advisors | Charleston shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Charleston. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Charleston and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment. The client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, client will hold Valbridge Property Advisors | Charleston harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Charleston in such action, regardless of its outcome.

37. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Charleston. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services, and has taken no part in the preparation of this report.

38. If any claim is filed against any of Valbridge Property Advisors, Inc., a Florida Corporation, its affiliates, officers or employees, or the firm providing this report, in connection with, or in any way arising out of, or relating to, this report, or the engagement of the firm providing this report, then (1) under no circumstances shall such claimant be entitled to consequential, special or other damages, except only for direct compensatory damages, and (2) the maximum amount of such compensatory damages recoverable by such claimant shall be the amount actually received by the firm engaged to provide this report.

39. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

40. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

41. The global outbreak of a "novel coronavirus" (known as COVID-19) was officially declared a pandemic by the World Health Organization (WHO). It is currently unknown what direct, or indirect, effect, if any, this event may have on the national economy, the local economy or the market in which the subject property is located. The reader is cautioned, and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of this event, or any event, subsequent to the effective date of the appraisal.

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Certification – Pledger M. Bishop, III

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned Pledger M. Bishop, III has not performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Pledger M. Bishop, III has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to those signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
13. As of the date of this report, Pledger M. Bishop, III completed the continuing education program for Designated Members of the Appraisal Institute.

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Glossary

Definitions are taken from The Dictionary of Real Estate Appraisal, 7th Edition (Dictionary), the Uniform Standards of Professional Appraisal Practice (USPAP), and Building Owners and Managers Association International (BOMA).

Absolute Net Lease

A lease in which the tenant pays all expenses including structural maintenance, building reserves, and management; often a long-term lease to a credit tenant. (Dictionary)

Amortization

The process of retiring a debt or recovering a capital investment, typically through scheduled, systematic repayment of the principal; a program of periodic contributions to a sinking fund or debt retirement fund. (Dictionary)

As Is Market Value

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date. (Interagency Appraisal and Evaluation Guidelines) Note that the use of the "as is" phrase is specific to appraisal regulations pursuant to FIRREA applying to appraisals prepared for regulated lenders in the United States. The concept of an "as is" value is not included in the Standards of Valuation Practice of the Appraisal Institute, Uniform Standards of Professional Appraisal Practice, or International Valuation Standards. (Dictionary)

Base Rent

The minimum rent stipulated in a lease. (Dictionary)

Base Year

The year on which escalation clauses in a lease are based. (Dictionary)

Building Common Area

In office buildings, the areas of the building that provide services to building tenants but that are not included in the office area or store area of any specific tenant. These areas may include, but shall not be limited to, main and auxiliary lobbies, atrium spaces at the level of the finished floor, concierge areas or security desks, conference rooms, lounges or vending areas, food service facilities, health or fitness centers, daycare facilities, locker or shower facilities, mail rooms, fire control rooms, fully enclosed courtyards outside the exterior walls, and building core and service areas such as fully enclosed mechanical or equipment rooms. Specifically excluded from building common area are floor common areas, parking space, portions of loading docks outside the building line, and major vertical penetrations. (BOMA)

Building Rentable Area

The sum of all floor rentable areas. Floor rentable area is the result of subtracting from the gross measured area of a floor the major vertical penetrations on that same floor. It is generally fixed for the life of the building and is rarely affected by changes in corridor size or configuration. (BOMA)

Bulk Value

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction. (Dictionary)

Certificate of Occupancy (COO)

A formal written acknowledgment by an appropriate unit of local government that a new construction or renovation project is at the stage where it meets applicable health and safety codes and is ready for commercial or residential occupancy. (Dictionary)

Common Area Maintenance (CAM)

The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property. (Dictionary)

The amount of money charged to tenants for their shares of maintaining a [shopping] center's common area. The charge that a tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenance, snow removal, security, [amenities,] and upkeep. (ICSC – International Council of Shopping Centers, 4th Ed.)

Condominium

An attached, detached, or stacked unit within or attached to a structure with common areas that are held as tenants in common (an undivided interest) with other owners in the project. The units can be residential, commercial, industrial, or parking spaces or boat docks. These units are commonly defined by state laws in their locations. Because units can be stacked on top of other units, these units can be defined both vertically and horizontally. (Dictionary)

Conservation Easement

An interest in real estate restricting future land use to preservation, conservation, wildlife habitat, or some combination of those uses. A conservation easement may

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permit farming, timber harvesting, or other uses of a rural nature as well as some types of conservation-oriented development to continue, subject to the easement. (Dictionary)

Contributory Value

A type of value that reflects the amount a property or component of a property contributes to the value of another asset or to the property as a whole.

The change in the value of a property as a whole, whether positive or negative, resulting from the addition or deletion of a property component. Also called deprival value in some countries. (Dictionary)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service (DCR = NOI÷I_m), which measures the relative ability of a property to meet its debt service out of net operating income; also called *debt service coverage ratio (DSCR)*. A larger *DCR* typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary)

Deed Restriction

A provision written into a deed that limits the use of land. Deed restrictions usually remain in effect when title passes to subsequent owners. (Dictionary)

Depreciation

In appraisal, a loss in property value from any cause; the difference between the cost of an improvement on the effective date of the appraisal and the value of the improvement on the same date.

In accounting, an allocation of the original cost of an asset, amortizing the cost over the asset's life; calculated using a variety of standard techniques. (Dictionary)

Disposition Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market.
2. The property is subjected to market conditions prevailing as of the date of valuation;
3. Both the buyer and seller are acting prudently and knowledgeably;
4. The seller is under compulsion to sell;
5. The buyer is typically motivated;
6. Both parties are acting in what they consider to be their best interests;
7. An adequate marketing effort will be made during the exposure time;
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition can also be modified to provide for valuation with specified financing terms. (Dictionary)

Double Net (Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net lease is defined as a lease in which the tenant is responsible to pay both property taxes and premiums for insuring the building(s). (Valbridge)

(The market definition of a double net lease varies depending on the market)

Easement

The right to use another's land for a stated purpose. (Dictionary)

EIFS

Exterior Insulation Finishing System. This is a type of exterior wall cladding system. Sometimes referred to as dry-vit.

Effective Date

1. The date on which the appraisal opinion applies. (SVP)
2. The date to which an appraiser's analyses, opinions, and conclusions apply; also referred to as date of value. (USPAP, 2020-2021 ed.)
3. The date that a lease goes into effect. (Dictionary)

Effective Gross Income (EGI)

The anticipated income from all operations of the real estate after an allowance is made for vacancy and collection losses and an addition is made for any other income. (Dictionary)

Effective Rent

Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord. (TIs). (Dictionary)

EPDM

Ethylene Propylene Diene Monomer Rubber. A type of synthetic rubber typically used for roof coverings.

Escalation Clause

A clause in an agreement that provides for the adjustment of a price or rent based on some event or

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index. e.g., a provision to increase rent if operating expenses increase; also called *escalator clause, expense recovery clause or stop clause*. (Dictionary)

Estoppel Certificate

A signed statement by a party (such as a tenant or a mortgagee) certifying, for another's benefit, that certain facts are correct, such as that a lease exists, that there are no defaults, and that rent is paid to a certain date. (Black's) In real estate, a buyer of rental property typically requests estoppel certificates from existing tenants. Sometimes referred to as an *estoppel letter*. (Dictionary)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately. (Dictionary)

Excess Rent

The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties. (Dictionary)

Expense Stop

A clause in a lease that limits the landlord's expense obligation, which results in the lessee paying operating expenses above a stated level or amount. (Dictionary)

Exposure Time

1. The time a property remains on the market.
2. An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP, 2020-2021 ed.)

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis. (USPAP)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary)

Floor Common Area

In an office building, the areas on a floor such as washrooms, janitorial closets, electrical rooms, telephone rooms, mechanical rooms, elevator lobbies, and public corridors which are available primarily for the use of tenants on that floor. In essence, floor common area represents all of the area on the floor that is common to that respective floor with the exception of those areas that penetrate through the floor, such as the elevator shaft and stairwell. The significant point to be made is that floor common area is not part of the tenant's usable area. (BOMA)

Full Service (Gross) Lease

A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called a *full service lease*. (Dictionary)

Furniture, Fixtures, and Equipment (FF&E)

Business trade fixtures and personal property, exclusive of inventory. (Dictionary)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the *market value of the going concern* or *market value of the total assets of the business.* (Dictionary)

Gross Building Area (GBA)

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space. (Dictionary)

Gross Measured Area

The total area of a building enclosed by the dominant portion (the portion of the inside finished surface of the permanent outer building wall which is 50 percent or more of the vertical floor-to-ceiling dimension, at the given point being measured as one moves horizontally along the wall), excluding parking areas and loading docks (or portions of same) outside the building line. It is generally not used for leasing purposes and is calculated on a floor by floor basis. (BOMA)

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Gross Up Method

A method of calculating variable operating expenses in income-producing properties when less than 100% occupancy is assumed. Expenses reimbursed based on the amount of occupied space, rather than on the total building area, are described as "grossed up." (Dictionary)

Gross Sellout Value (Sum of the Retail Values)

The sum of the separate and distinct market value opinions for each of the units in a condominium, subdivision development, or portfolio of properties, as of the date of valuation. The aggregate of retail values does not represent the value of all the units as though sold together in a single transaction; it is simply the total of the individual market value conclusions. An appraisal has an effective date, but summing the sale prices of multiple units over an extended period of time will not be the value on that one day unless the prices are discounted to make the value equivalent to what another developer or investor would pay for the bulk purchase of the units. Also called the *aggregate of the retail values, aggregate retail selling price or sum of the retail values.* (Dictionary)

Ground Lease

A lease that grants the right to use and occupy land. Improvements made by the ground lessee typically revert to the ground lessor at the end of the lease term. (Dictionary)

Ground Rent

The rent paid for the right to use and occupy land according to the terms of a ground lease; the portion of the total rent allocated to the underlying land. (Dictionary)

HVAC

Heating, ventilation, air conditioning (HVAC) system. A unit that regulates the temperature and distribution of heat and fresh air throughout a building. (Dictionary)

Highest and Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use of for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)
3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions) (Dictionary)

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.

Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP)

Insurable Value (Replacement Cost for Insurance Purposes)

The estimated cost, at current prices as of the effective date of valuation, of a substitute for the building being valued, using modern materials and current standards, design, and layout for insurance coverage purposes guaranteeing that damaged property is replaced with new property (i.e., depreciation is not deducted). (Dictionary)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market. (Dictionary)
2. The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)

Just Compensation

In condemnation, the amount of loss for which a property owner is compensated when his or her property is taken. Just compensation should put the owner in as good a position pecuniarily as he or she would have been if the property had not been taken. (Dictionary)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary)

Leasehold Interest (Leasehold Estate)

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary)

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See also Positive Leasehold and Negative Leasehold.

Lessee (Tenant)

One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement. (Dictionary)

Lessor (Landlord)

One who conveys the rights of occupancy and use to others under a lease agreement. (Dictionary)

Liquidation Value

The most probable price that a specified interest in property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary)

Loan to Value Ratio (LTV)

The ratio between a mortgage loan and the value of the property pledged as security, usually expressed as a percentage. (Dictionary)

Major Vertical Penetrations

Stairs, elevator shafts, flues, pipe shafts, vertical ducts, and the like, and their enclosing walls. Atria, lightwells and similar penetrations above the finished floor are included in this definition. Not included, however, are vertical penetrations built for the private use of a tenant occupying office areas on more than one floor. Structural columns, openings for vertical electric cable or telephone distribution, and openings for plumbing lines are not considered to be major vertical penetrations. (BOMA)

Market Rent

The most probable rent that a property should bring in a competitive and open market under all the conditions requisite to a fair lease transaction, the lessee and the lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution of a lease as of a specified date under conditions whereby:

1. Lessee and lessor are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and
4. The rent reflects specified terms and conditions, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, and tenant improvements (TIs). (Appraisal Institute)

Market Value

The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (Dictionary; 12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of the Appraisal Foundation)

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Master Lease

1. A lease in which a part or the entire property is leased to a single entity (the master lessee) in return for a stipulated rent. The master lessee then subleases the property to multiple tenants.
2. The first lease in a sandwich lease. (Dictionary)

Modified Gross Lease

A lease in which the landlord receives stipulated rent and is obligated to pay some, but not all, of the property's operating and fixed expenses. Since assignment of expenses varies among modified gross leases, expense responsibility must always be specified. In some markets, a modified gross lease may be called a *double net lease, net net lease, partial net lease, or semi-gross le*ase. (Dictionary)

Negative Leasehold

A lease situation in which the market rent is less than the contract rent. (Dictionary)

Operating Expense Ratio

The ratio of total operating expenses to effective gross income (*TOE/EGI*); the complement of the net income ratio, i.e., *OER = 1 – NIR* (Dictionary)

Option

A legal contract, typically purchased for a stated consideration, that permits but does not require the holder of the option (known as the *optionee*) to buy, sell, or lease real estate for a stipulated period of time in accordance with specified terms; a unilateral right to exercise a privilege. (Dictionary)

Partial Interest

Divided or undivided rights in real estate that represent less than the whole, i.e., a fractional interest such as a tenancy in common or easement. (Dictionary)

Pass Through

A tenant's portion of operating expenses that may be composed of common area maintenance (CAM), real property taxes, property insurance, and any other expenses determined in the lease agreement to be paid by the tenant. (Dictionary)

Percentage Lease

A lease in which the rent or some portion of the rent represents a specified percentage of the volume of business, productivity, or use achieved by the tenant. (Dictionary)

Positive Leasehold

A lease situation in which the market rent is greater than the contract rent. (Dictionary)

Potential Gross Income (PGI)

The total income attributable to property at full occupancy before vacancy and operating expenses are deducted. (Dictionary)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy. (Dictionary)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvements, using modern materials and current standards, design, and layout. (Dictionary)

Reproduction Cost

The estimated cost to construct, at current prices as of the effective date of the appraisal, an exact duplicate or replica of the building being appraised, using the same materials, construction standards, design, layout, and quality of workmanship and embodying all of the deficiencies, superadequacies, and obsolescence of the subject building. (Dictionary)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary)

Sandwich Leasehold Estate

The interest held by the sandwich leaseholder when the property is subleased to another party; a type of leasehold estate. (Dictionary)

Sublease

An agreement in which the lessee in a prior lease conveys the right of use and occupancy of a property to another, the sublessee, for a specific period of time, which may or may not be coterminous with the underlying lease term. (Dictionary)

Subordination

A contractual arrangement in which a party with a claim to certain assets agrees to make that claim junior, or subordinate, to the claims of another party. (Dictionary)

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Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary)

TPO

Thermoplastic polyolefin, a resilient synthetic roof covering.

Triple Net (Net Net Net) Lease

An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called *NNN lease, net net net lease, or fully net lease*. (Dictionary)

(The market definition of a triple net lease varies; in some cases tenants pay for items such as roof repairs, parking lot repairs, and other similar items.)

Usable Area

The measured area of an office area, store area, or building common area on a floor. The total of all the usable areas for a floor shall equal floor usable area of that same floor. (BOMA)

Value-in-Use

1. The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned. (FASB Accounting Standards Codification, Master Glossary)
2. Formerly used in valuation practice as a synonym for *contributory value* or *use value*. (Dictionary)

VTAB (Value of the Total Assets of a Business)

The total amount that the real property, tangible personal property, and intangible property assets of a business would sell for in an asset-based transaction. (Dictionary)

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Qualifications

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Valbridge
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Karl P. Finkelstein, MAI

Senior Managing Director
Valbridge Property Advisors | Charleston

MEMBERSHIPS & AFFILIATIONS

Urban Land Institute

- Member

Capital Markets Conference

- Board Member

Appraisal Institute, Member

- MAI Designation, 2006
- South Carolina Chapter President, 2015
- SC Chapter 1st Vice President, 2014
- SC Chapter 2nd Vice President, 2013
- SC Chapter Treasurer, 2012
- SC Chapter Secretary, 2011

APPRAISAL INSTITUTE & RELATED COURSES

- Income Capitalization 310, 2001
- General Applications 320, 2000
- Standards Part A 410, 2001
- Standards Part B 420, 2001
- Advanced Income Capitalization 510, 2002
- Commercial Report Writing 540, 2003
- Highest and Best Use Analysis 520, 2003
- Adv Sales Comparison, Cost Approach 530, 2003
- Leadership and Development Conference, 2004
- Advanced Applications 550, 2004
- Leadership & Development Conference, 2005
- Leadership & Development Conference, 2006

EXPERIENCE

Valbridge Property Advisors | Charleston

- Senior Managing Director, 2013-Present

Valbridge Property Advisors, Inc.

- Vice President of Marketing and Business Development, 2015-present
- Member, Board of Directors, 2013-2015

Atlantic Appraisals, LLC

- Principal, 2005 –2013

Appraisal/valuation and consulting assignments include: apartment buildings; retail buildings and shopping centers; office buildings; industrial buildings; religious and special purpose properties including schools, churches and cemeteries; hotels and motels; residential subdivisions; and vacant industrial, commercial and residential land.

In the past 36 months Karl Finkelstein, MAI has appraised over 25 multi-family housing projects and 24 hospitality/lodging projects.

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President & CEO – Valbridge Property Advisors Inc.

Senior Managing Director
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MEMBERSHIPS & AFFILIATIONS

Appraisal Institute, Member

- **2022 President of The Appraisal Institute**
- 2021 President Elect
- 2022 Vice President
- AI-GRS Designation, 2018
- MAI Designation, 1995
- SRA Designation, 1989
- Chair General Demonstration Appraisal Grading Panel, 2017-2020
- Audit Committee Member, 2018-2019
- Edward W "Lalo" Adams Outstanding Board Service Award, 2018
- AI Presidents Award, 2017
- Region IX Director, 2014-2018

National Association of Realtors

- CRE Designation, 2003

Charleston Trident Board of Realtors

- Board of Director Multiple Listing System
- Board of Realtors Professional Standards Committee
- Board of Realtors Grievance Committee

Elder Mount Pleasant Presbyterian Church

Member Charleston County Board of Assessment Appeals, 1993-1996

EXPERIENCE

Valbridge Property Advisors| Charleston - Senior Managing Director,2013-Present

Atlantic Appraisals, LLC – Associate 1990-1995 - Principal 1995 – 2013

Appraisal Consultants, Inc – 1986 – 1990

Charleston County Assessor's Office – 1984 - 1986
Testified in US HFSC Hearing Chaired by Representative Maxine Waters - 2022

Recognized as Expert Witness in various Courts of Law

Experienced in valuation of various commercial and residential Real Estate property including property valuations for Preservation and Conservation Easements, Valuation Review and Consulting assignments, and Valuations and Consultation for Property Tax Appeal

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FAST FACTS

COMPANY INFORMATION

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- Valbridge is North America's largest independent commercial appraisal firm.
- Valbridge provides custom appraisal reports in the U.S., Canada, and Puerto Rico.
- Valbridge specializes in appraising all types of real property.
- Valbridge provides independent valuation services. We are NOT owned by a brokerage firm or investment company.
- Every Valbridge office is overseen by a Senior Managing Director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by local offices.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market, and other bulk-property engagements.

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825 Colorado Blvd., Ste. 201
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1530 The Alameda, Ste. 100
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5107 Center St., Ste. 2B
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324 N. Mullan Rd.
Spokane Valley, WA 99206
(509) 747-0999

WISCONSIN
12660 W. North Ave.
Brookfield, WI 53005
(262) 782-7990

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Appraisal Review

Morrison Drive County Properties

993-995 Morrison Drive

Charleston, Charleston County, South Carolina 29403

Report Date: 9/16/2025

FOR:

City of Charleston

Mayor Mr. William E. Cogswell, Jr.

80 Broad Street

Charleston, South Carolina 29401

Valbridge Property Advisors | Charleston

1250 Fairmont Avenue

Mount Pleasant, South Carolina, 29464

843-884-1266 phone

valbridge.com

Valbridge File Number:

SC01-25-0924-000

Appraisal Review

Client

Mayor Mr. William E. Cogswell, Jr.

City of Charleston

80 Broad Street

Charleston, South Carolina 29401

The Appraisal Under Review

The appraisal under review has a report date of 10/8/2024 and is hereinafter referenced as the "appraisal report." Under the specific scope of work, there are numerous different value conclusions. The effective date of value is 9/26/2024. The appraisal report is addressed to Mr. Phil Sabatino, CFM with the County of Charleston, 4045 Bridge View Drive, North Charleston, South Carolina 29405.

Subject of the Review Assignment

The property is identified as 995 Morrison Drive, Charleston, Charleston County, South Carolina 29403. It is identified as Assessor's Parcel Number (APN) 461-13-03-101 and 461-13-03-024. It is further described as 6.5 acres.

Ownership Interest Appraised in the Work Under Review

The fee simple interest was appraised. The owner of record is County of Charleston. The property was reported to have not sold within the three-year period preceding the date of the appraisal.

Appraiser(s)

The appraiser is identified as Scott B Johnstone, MAI with Integra Realty Resources – Charleston. The Integra Realty Resources office is located at 11-C Isabella Street in Charleston, SC 29403. Mr Johnstone is a licensed South Carolina State Certified General Real Estate Appraiser and the license # is CG 3627.

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Review Appraiser

The review appraiser for this appraisal is Pledger M. Bishop, III, MAI, SRA, AI-GRS, CRE of Valbridge Property Advisors | Charleston. Pledger M. Bishop, III and is a licensed South Carolina State Certified General Real Estate Appraiser and the license # is CG795.

Intended Users

The intended user is City of Charleston and no others.

Intended Use

This review will be used to assist in determining the strengths and weakness of the report in areas including methodology, technique and application with an emphasis on reasonable, conclusive, supported, and logical conclusions.

Purpose of the Assignment

The purpose of this assignment is to determine if the conclusions stated in the appraisal report are adequately supported and if the content, analyses, and conclusions follow applicable standards. More specifically, the purpose of this review is to determine if the appraisal addresses pertinent factors that impact the property highest and best use and, ultimately, the conclusions.

Date & Effective Date of Opinion of the Work Under Review

The appraisal report is dated 10/8/2024. The appraisal valuation date is 9/26/2024.

Date of the Review Report

This review report was prepared on 9/17/2025.

Extraordinary Assumptions

The entire appraisal report under review, as provided to this reviewer, is included herein by reference. Unless otherwise stated, all statements of fact are believed to be accurate and reliable.

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Scope of Work

The undersigned reviewed the contents, analysis, and conclusions in the appraisal report identified previously. Investigations and data collection outside the scope of the content of the appraisal report were limited in nature. The scope is limited to a review of the report only. The following summarizes the scope of work performed in the review.

- I reviewed the entire appraisal report which is the subject of this review.
- I did inspect the real property that is the subject of this appraisal.
- I developed opinions about the appropriateness of the appraisal methodology applied within the appraisal report.
- I developed opinions about the completeness, accuracy, adequacy, relevance, and reasonableness of the appraisal report.
- I developed an opinion about the appropriateness of the analyses applied in the appraisal report.
- I developed an opinion as to whether the opinions and conclusions presented in the appraisal report were credible.
- I reviewed any sales contracts or leases which were included within the appraisal report.
- I did not develop my own opinion of value for the properties.
- I did not verify specific market data contained in the appraisal report under review.

The description found in the appraisal report under review was not sufficient to enable the Reviewer to understand the primary and secondary data associated with the subject, the comparable sales data, and appraisal problems associated with the valuation of these properties.

Analysis of the Appraisal Report

Section 1. Purpose and Function of the Appraisal

Question	USPAP SR, AO or FIRREA	Response
1. Was the appropriate report option utilized and prominently stated?	SR 2-2 & AO 11 & 12	**Yes**
2. Did the report state the identity of the client and intended user(s)?	SR 2-2 & AO 36	**Yes**
3. Did the report state the intended use of the report?	SR 2-2	**Yes**
4. Was the use of the property stated as of the date of value and reflected in the appraisal?	SR 2-2 (a)ix	**Yes**
5. Did the report include an accurate legal description?	SR 2-2 (a)iii	**No**
6. Was the appropriate interest stated and valued?	SR 2-2 (a)iv	**Yes**
7. Was the type and definition of value defined?	SR 2-2 (a)v	**Yes**
8. Did the report contain an appropriate analysis of any prior and current sales, options or listing for the last three years?	SR 1-5 (a)v; AO 1 & 24	**Yes**
9. Was the effective date of the appraisal and date of the report included?	SR 2-2 (a)vi	**Yes**
10. Was the scope of work used to develop the appraisal sufficiently described and disclosed?	SR 2-2(a)vii; AO 28 & 29	**Yes**
11. Did the report include a description of the information analyzed, appraisal methods and techniques employed and the reasoning that supports the analyses, opinions, and conclusions?	SR 2-2 (a)viii; AO 1 & 31	**Yes**
12. Did the report state the existing use of the real estate as of the date of value; and describe the support and rationale for the opinion of highest and best use?	SR 2-2(a)x	**Yes**

Question	USPAP SR, AO or FIRREA	Response
13. Did the report include an acceptable list of general assumptions and limiting conditions?	SR 2-1(c)	**Yes**
14. Did the report include special assumptions or limiting conditions including extraordinary assumptions?	SR 2-2(a) xi	**Yes**
15. Did the report include any hypothetical conditions?	SR 2-2(a) xi	**No**
16. Did the report include a signed certification similar in content to SR 2-3?	SR 2-2(a) xii, SR 2-3	**Yes**

Additional Comments

None.

Section 2. Market & Neighborhood Analysis

Question	USPAP SR, AO or FIRREA	Response
1. Was the market analysis/ absorption study relevant to the subject property?	SR 1-3 (a)	**Yes**
2. Was the level of market analysis appropriate for the property type and assignment?	SR 1-3 (a)	**Yes**
3. Did the market analysis consider existing and future supply and demand factors for the market?	SR 1-3 (a)	**Yes**
4. Were appropriate maps and exhibits included to define Market and Sub-market parameters?		**Yes**

Additional Comments

None.

Section 3. Site and Improvement Data

Question	USPAP SR, AO or FIRREA	Response
1. Were the site characteristics adequately described?	SR 1-2 (e)i	**No**
2. If excess or expansion land was identified, have considerations been made for contributory value?		**n/a**
3. Was the zoning description adequate?	SR 1-3 (a)	**No**
4. Was the description of the improvements adequate?	SR 1-2 (e)i	**No**
5. Do improvements conform to existing zoning?	SR 1-3 (a)	**n/a**
6. If the improvements are proposed, did the appraisal reference plans to reflect relevant characteristics?		**n/a**
7. Was an adequate property tax analysis presented?		**Yes**
8. Are the property taxes for the subject reasonable?		**Yes**
9. Were appropriate exhibits including plat map, photographs, improvement sketch, etc. included?		**Yes**
10. Did the appraisal report indicate that the subject site is located in an identified Flood Hazard Area?		**Yes**

Additional Comments

This is not a 6.5-acre property as described in the letter and later in the report. It is two 3.26- and 3.17-acre properties owned by the County of Charleston separated by a .079 acre parcel owned by LRA Promenade, LLC who acquired it as part of a proposed redevelopment of Laurel Island across Morrison Drive northeast of the two properties appraised. The intent of this acquisition was to provide the developers with an extension of Cool Blow Street to a planned bridge for access to Laurel Island, a former household waste landfill and a dredge spoil.

This is not adequately described in this report. Furthermore, the Executive Summary chart of Value Conclusions on page 1 indicates the property "subdivided" into 2 parcels which suggests they are a single property. This appears to be legacy language from a prior report before they were subdivided.

In the highest and best use as improved section, this .079 acres was “purchased for the development of the bridge to Laurel Island”. This future “bridge” is not adequately described.

The client has given specific instructions to consider the properties subdivided into many different smaller lots and placed different conditions to assume for some of the conclusions. There is no survey or formal description of the “hypothetical” sites other than an overlay of an aerial. Since they have not been legally subdivided, it is best practice to state as such as a hypothetical condition so there is no confusion. As written, an uninformed reader will not understand none of the “hypothetical” sites currently exist as legally subdivided parcels and the subsequent conclusions are based on that “hypothetical” condition.

In September 2021, a development agreement between the owners of Laurel Island, Charleston County and the City of Charleston was executed. During that process, the two separate properties that are subject of this review report were rezoned and are part of the Laurel Island PUD. This allowed for “Mixed-Use Zoning”, consistent with all permitted, conditional, and special exception uses provided for in the General Business and Upper Peninsula zoning classifications and any overlay districts thereon, as set forth in the City of Charleston Zoning Ordinance Article 2, Part 3, as amended through August 19, 2020.

There is a workforce housing requirement in the PUD as follows: “10% of all dwelling units on the Laurel Island Site will be set aside as workforce housing at all times and that at least an additional 10% of completed dwelling units on the Laurel Island Site will be set aside as workforce housing for 10 years from the lease date for such workforce housing units”. This is not recognized in the analysis.

The two properties are subject to an overlay district known as the “Tech Corridor”. The intent of the Tech Corridor "TC" overlay zone is to enable high technology and technology-related industries to anchor new development in the district. The City deems it necessary to provide additional protections to ensure these key properties are used predominately for tech office uses. Within this overlay zone, specific types of land uses are permitted only with the approval of a special exception, and certain uses are specifically prohibited.

The “TC’ overlay is restrictive on allowable uses. According to the City of Charleston, residential uses cannot exceed 50% of the overall program, and any retail uses are limited to no more than 25,000 square feet. The balance of the buildings can only be developed for Tech Office uses.

The TC Overlay is not recognized in this report, so the conclusions do not reflect the restrictions (residential density limited to 50% of any future buildings – retail limited to 25,000 square feet and the balance must be Tech Office space).

The description of the improvements is limited, which is reasonable for the report. However, the narrative indicates the property had not been recently inspected with a prior inspection in

2021 and the photographs indicate a 2021 date. It is stated in the Certification that the property was inspected for this report. That's confusing and contradictory.

Finally, a portion of the improvements had been demolished in November 2023 and that is not recognized in this report. Again, this appears to be legacy language from a prior report.

Section 4. Highest and Best Use Analysis

Question	USPAP SR, AO or FIRREA	Response
1. Has a meaningful highest and best use analysis relevant to the subject characteristics been included for both the "as if vacant" and "as improved/proposed"?	SR 1-3 (b) SR 2-2 (a)x	**No**

Additional Comments

The Laurel Island PUD restrictions and the Tech Overlay restrictions are not recognized in the legally permissible section of the highest and best use analysis. Therefore, the conclusion of highest and best use does not reflect a mixed-use development with residential densities limited to 50%, retail density limited to 25,000 square feet and the balance limited to Tech Office development by the Tec Overlay District and the Laurel Island PUD restricts 10% for affordable housing use plus an additional 10% restricted for affordable housing use for a minimum of 10 years.

There is not a highest and best analysis for any of the "hypothetical" parcels which are much smaller. Developers of smaller parcels have a difficult time achieving the necessary height, scale and mass to achieve maximum residential / commercial density like larger parcels can achieve so they are typically not developed at the same uses as larger parcels. Sales of those parcels generally reveal lower unit prices. This is not recognized.

Section 5. Land Valuation

Question	USPAP SR, AO or FIRREA	Response
1. If the sales comparison method was employed, was sufficient detail provided for each sale as required by the scope of work decision?	SR 1-4 (a)	**Yes**
2. If another method of estimated land value was applied, was it adequately documented and reasonable?		**No**

Question	USPAP SR, AO or FIRREA	Response
3. Was an adjustment grid included?		**Yes**
4. Was the land value well supported and reasonable?	SR 1-4 (a)	**No**
5. Were appropriate exhibits included?		**Yes**

Additional Comments

Sale #1 was an acquisition of two adjacent parcels acquired by the same owner in a single transaction. Both were improved with residential structures, and the land area is .21 acres. The date of sale is April 2022.

In May 2022 three adjacent properties were acquired by the same purchaser for $2,400,000 for assemblage. They included a surface parking lot, a lot with a small office structure and a lot with a small storage warehouse. The total area is .34 acres.

Since the sale dates are less than 30 days apart and the same purchaser and property use, they could / should have been analyzed together as a single transaction reflecting a purchase of .55 acres with all structures slated for demolition. The total price is $3,660,000 or $152.76 per square foot which is greater price per square foot than the purchase of sale #1 as a solo transaction.

The combined transactions better reflect the buyer motivation and actions in the transactions. This is not recognized here.

The report indicates the existing improvements are slated for demolition and do not meet the criteria as the ideal improvement nor the highest and best use as improved. It is also stated that because of the “unknown” demolition cost, none are deducted.

Positive adjustments are made to sales 1, 2 and 4 to reflect demolition expenses, but no adjustment for demolition is made to sale 3, which is improved with a storage warehouse. This is not consistent.

Sale 1 was improved with 2,662 square feet of residential structures and $10,000 or $3.75 per square foot was the adjustment.

Sale 2 was reportedly improved with a 6,575 square foot church facility and the demolition adjustment was $40,000 or $6.08 per square foot.

Sale 3 was improved with a 6,000 square foot storage warehouse and no demolition adjustment is included.

Sale 4 is improved with a 7,000 square foot office structure and the demolition adjustment is $45,000 or $6.42 per square foot.

There is seemingly a wide range of demolition estimates and no support for the demolition adjustments is cited. The lack of a demolition adjustment to sale 3 is not consistent. Finally, not recognizing a demolition adjustment for the properties appraised is not consistent with methodology.

There are many different scenarios employed in this report. The land areas range from 1.42 acres to 3.3 acres. The conclusions range between $130.00 per square foot to $140.00 per square foot despite the 100% increase in size for the existing parcels. The same set of comparable sales are used and nominal 5% - 15% change in adjustments for size, zoning, and access etc.

The size adjustments are not consistent. This weakens the conclusions.

In the land valuation of Hypothetical Parcel F, negative adjustments are made because of proximity to the "future bridge" yet neither of the other existing parcels or other hypothetical parcels abutting this "future bridge right of way" are adjusted. That's inconsistent and not logical.

Also, at a high level, four sales indicate unadjusted values of about $137.00 per square foot, $114.00 per square foot, $134.00 per square foot and $111.00 per square foot with an average of $124.00 per square foot.

The range is narrowed from about $120.00 per square foot to about $145.00 per square foot with an average of about $132.00 per square foot.

After nominal adjustments, the range is further narrowed to about $121.00 per square foot to about $133.00 per square foot with an average of $128.00 per square foot.

All conclusions, except those based upon Hypothetical "Affordable Housing" restrictions, are based on the exact same set of adjustments with minor differences for size etc.

The analyses appear to be an average for each with minor differences. The conclusion is supported by the pending sale of a 4.452 acre located nearly across Morrison Drive at a similar price per square foot. This casts a larger spotlight on the lack of detail regarding the size adjustments. Historically, larger parcels are highly sought after to take advantage of height, scale and mass densities. Overall, the conclusions are not reasonable or logical considering the size adjustment differences and the lack of recognition of the zoning restrictions.

The analysis under the "hypothetical condition" for affordable housing, a development approach is employed. There are numerous typographical errors in the narrative compared to the charts which suggest legacy language was carried over and not updated.

The development approach employed backs into a land value loss using a percentage of land ratio for a development. That results in a decrease in land value from $130.00 per square foot to $85.00 per square foot which equals $11,850,000.

In the development approach model, the value of the "hypothetical" 85 unit affordable housing complex is $15,494,310. Deducting the underlying land conclusion, $11,850,000, suggests the contributory value of the new construction improvements is $3,644,310 ($15,494,310 - $11,850,000 = $3644,310). Dividing that result by 85 units indicates a contributory value of $42,874 per unit which is considerably lower than the new construction development cost so the "hypothetical" affordable housing development is not financially feasible at the land value conclusion. To be feasible, the land value must be significantly lower than $85.00 per square foot.

The conclusion under the "hypothetical" affordable housing use is not logical, credible, reasonable or market supported.

Section 6. Reconciliation

Question	USPAP SR, AO or FIRREA	Response
1. Did the reconciliation consider the approaches used, listing the strengths and weaknesses of each?		**No**
2. Was the reconciliation appropriate and supported?		**Yes**
3. Was an estimate of reasonable exposure time made?	SR 1-2 (c); AO 35	**Yes**
4. Was the exclusion of any approaches explained?		**Yes**
5. Would the reviewer have excluded any approaches?		**Yes**
6. Were relevant deductions applied to proposed construction, completed properties that are partially leased, or subdivision tract developments with unsold units (lease-up and holding cost, marketing costs, real estate taxes and other likely expenses incurred)?		**n/a**

Question	USPAP SR, AO or FIRREA	Response
7. Was personal property, trade fixtures, other intangibles or items which are not real property valued separately if they were included in the valuation?	SR 1-4 (g)	**n/a**
8. If the subject property is a lodging facility, health care facility or special use property, and has an element of value referred to as Business Enterprise Value as part of the Going Concern Value, was it separately labeled?	SR 1-4 (g)	**n/a**
9. Does the stated scope of work in the report appear to be reasonable in light of the complexity of the project and the intended use of the report?	Scope of Work Rule	**Yes**
10. Did the report include sufficient data to properly identify the appraisal problem to be solved?	Scope of Work Rule	**Yes**
11. Are the reported assignment results credible?	Scope of Work Rule	**No**
12. Did the report comply with the engagement letter?	FIRREA	**n/a**
13. Does the report comply with USPAP?	FIRREA	**n/a**
14. Does the appraisal contain appropriate deductions and discounts?	FIRREA	**n/a**
15. Was the appraisal based on the interagency definition of Market Value?	FIRREA	**n/a**
16. Was the appraisal prepared by an appraiser currently licensed within the state which the property is located?	FIRREA	**n/a**

Additional Comments

The assignment results are not logical, credible or market supported for the reasons previously cited.

Section 7. Final Rating of Appraisal

Completeness of the Appraisal Report

The appraisal report was complete in terms of the overall analysis. The lack of recognition of the Tech Overlay and the Laurel Island PUD, which are restrictive and are negative impacts on the value conclusions, is a significant weakness. The lack of detailed analysis of the considerable size differences is a weakness. Those adjustments are not logical, reasonable or conclusive.

There is what appears to be legacy language likely from prior reports throughout. While they have no relative impact on the conclusion, the sheer number throughout would question the attentiveness of report preparation. That undermines credibility of the conclusions.

Adequacy & Relevance of Data and Adjustments to the Data

The report was adequate, and the data was relevant. The comparable sale differences are not adequately addressed and the adjustments for differences in size are not consistent.

Appropriateness of the Appraisal Methods and Techniques Used

The methods and techniques are appropriate. Per USPAP's definition of "credible", credible assignment results require support by "relevant evidence and logic" and the report must contain sufficient information for the intended users to understand it properly. Here, given the lack of recognition of the Tech Overlay district and Laurel Island PUD restrictions and differences in key property characteristics, and the illogical conclusion under the "hypothetical" affordable housing use, the conclusions overall, are not adequately supported.

Reasonableness of the Analyses, Opinions, and Conclusions

Because of the weakness described, it is difficult to determine if the conclusions are credible, supported, conclusive, or logical.

Section 8. Reviewer's Conclusions and Recommendations

Scope of Review

Read Report?	Yes
Interviewed Appraiser?	No
Field Review?	Yes

Does the reviewer concur with the soundness of conclusion? There is not sufficient detail and analysis to make this determination.

Section 9. Reviewer's Signature

Pledger M. "Jody" Bishop III, MAI, SRA, AI-GRS, CRE

Senior Managing Director

South Carolina Certified General CG 795

License Expires 6/30/2024

Date:	9/17/2025
Name of Reviewer:	Pledger M. Bishop, III
Position:	Senior Managing Director
License / Certification:	SC Certified General Real Estate Appraiser #CG795
Telephone:	843-568-3740
Address:	1250 Fairmont Avenue, Mount Pleasant, South Carolina, 29464

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General Assumptions and Limiting Conditions

This appraisal is subject to the following general assumptions and limiting conditions:

1. The legal description is assumed to be correct, but the appraiser makes no representations or guarantees as to its accuracy.

2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.

3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Charleston will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the Client hire an expert if the presence of hazardous materials or contamination is of concern to the Client. Client means the Client as defined in the appraisal report.

4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.

5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.

6. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner, employee, agent, or independent contractor of Valbridge Property Advisors | Charleston is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, Client shall compensate Appraiser for the time spent by the partner, employee, agent, or independent contractor in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses, regardless of whether the Client is the party seeking the appearance of testimony.

7. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.

8. The dates of value to which the opinions expressed in this report apply are set forth in this report. The appraiser assumes no responsibility for economic or physical factors occurring at any other date(s), which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions. Appraiser is not responsible for determining and makes no representations regarding whether the date(s) of value requested by Client is appropriate for Client's intended use.

9. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.

10. The information, estimates, and opinions, which were obtained from outside sources are considered reliable. However, the appraiser makes no representations regarding such sources, and no liability for them can be assumed by the appraiser.

11. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without the appraiser's prior express written consent and approval.

12. No claim is intended to be expressed for matters of expertise that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. The appraiser claims no expertise and makes no representations in areas such as, but not limited to, legal, survey, structural, environmental, quality of construction, pest control, mechanical, etc. It is recommended that the Client hire an expert, such as a home inspector, if these areas are of concern to the Client.

13. This appraisal was prepared for the sole and exclusive use of the Client for the function outlined herein. Any party who is not the Client or intended user, as identified in the appraisal, is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Charleston and Client. The Client shall not include partners, members, stockholders, shareholders, affiliates, or relatives of the Client. The appraiser makes no representations and assumes no obligation, liability or accountability to any third party.

14. Distribution of this report is at the sole discretion of the Client, as identified in the appraisal, but the appraiser makes no representations to third parties not listed as an intended user on the face of the appraisal and such third parties may not rely upon the contents of the appraisal, including but not limited to the estimate of value. In no event shall the Client give a third-party a partial copy of the appraisal report. The appraiser will make no distribution of the report without the specific direction of the Client.

15. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Charleston.

16. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.

17. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, the appraiser has not completed, nor has the appraiser contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no representations or guarantees, express or implied, regarding this determination.

18. The flood maps are not site specific. The appraiser is not qualified to confirm the location of the subject property in relation to flood hazard areas based on the FEMA Flood Insurance Rate Maps or other surveying techniques. It is recommended that the Client obtain confirmation of the subject property's flood zone classification from a licensed surveyor.

19. If the appraisal is for mortgage loan purposes 1) the appraiser assumes satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income and Expense Projection" are anticipated.

20. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No representations are made, and no responsibility is assumed for such conditions or for engineering which may be required to discover them.

21. The appraiser's inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. To the extent dictated by the scope of assignment, the appraiser inspected the buildings involved and reported open and obvious damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no representation or guarantee of the amount or degree of damage (if any) is implied. The condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. Should the Client have concerns in these areas, it is the Client's responsibility to order the appropriate inspections. The appraiser is not a home inspector or pest control expert and does not have the skill or expertise to make such inspections, makes no representations regarding these items, and assumes no responsibility for these items.

22. This appraisal does not guarantee compliance with the building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.

23. When possible, the appraiser relied upon building measurements provided by the Client, owner, or associated agents of these parties. In the absence of reliable public records or "as-built" plans provided, to the appraiser relied upon his/her own measurements of the subject improvements. The appraiser follows typical appraisal industry methods; however, the appraiser recognizes that some factors may limit the ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment and the appraiser makes no representations concerning this information.

24. The appraiser has attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by the appraiser to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, the appraiser cannot guarantee and makes no representations regarding their accuracy. Should the Client desire more precise measurement, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer) as an alternative source. If this alternative measurement source reflects or reveals substantial differences with the measurements used within the report, upon request of the Client, the appraiser will submit a revised report for an additional fee.

25. In the absence of being provided with a detailed land survey, the appraiser used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, upon request of the Client, the appraiser will submit a revised report for an additional fee.

26. If only preliminary plans and specifications were available for use in the preparation of this appraisal, and a review of the final plans and specifications reveals substantial differences, upon request of the Client, the appraiser will submit a revised report for an additional fee.

27. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. No responsibility is assumed, and no representations are made regarding any such conditions, or for any expertise or engineering knowledge required for discovery. The Client is urged to retain an expert in this field, if desired.

28. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. The appraiser has not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since the appraiser has no direct evidence relating to this issue, the appraiser did not consider possible noncompliance with the requirements of ADA in developing an opinion of value. It is recommended that the Client hire an expert, such as an attorney or other qualified expert, if ADA compliance is an area of concern to the Client.

29. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.

30. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.

31. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. As such, the appraiser makes no representations regarding such income or expense estimates and the intended user(s) of the appraisal may not rely on such estimates.

32. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and non-insurable items. As such, the appraiser strongly recommends that the Client obtain estimates from professionals experienced in establishing insurance coverage. The appraiser makes no representations regarding such insurable value, and any analysis should not be relied upon to determine insurance coverage and the appraiser makes no representations regarding the accuracy of this estimate.

33. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. Subject to the Uniform Standards of Professional Appraisal Practice, the appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the Client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Institute if such disclosure is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.

34. The Client and Valbridge Property Advisors | Charleston both agree that any claim must be made within two years from the date of delivery of our work product. The Client and Valbridge Property Advisors | Charleston both agree that any dispute over matters in excess of $5,000 shall be submitted for resolution by mandatory arbitration pursuant to the rules of the American Arbitration Association. This includes fee disputes and any claim of malpractice. The parties agree to a sole arbitrator, who shall be mutually selected. The arbitration shall be held in Charleston County, South Carolina, unless otherwise expressly agreed to between the parties. Such arbitration shall be binding and final. In agreeing to arbitration, both parties acknowledge that, by agreeing to binding arbitration, each is giving up the right to have the dispute decided in a court of law before a judge or jury. In the event that the Client, or any other party, makes a claim against Valbridge Property Advisors | Charleston or any of its employees, agents, representatives, or independent contractors in connection with or in any way relating to this assignment, the maximum damages recoverable by such claimant shall be the amount actually received by Valbridge Property Advisors | Charleston for this assignment, and under no circumstances shall any claim for consequential, incidental, or punitive damages be made.

35. Valbridge Property Advisors | Charleston shall have no obligation, liability, or accountability to any third party. Any party who is not the “Client” or intended user identified on the face of the appraisal is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Charleston. “Client” shall not include partners, members, stockholders, shareholders, affiliates, or relatives of the party identified as the Client in the appraisal. Client shall indemnify, defend (including the reimbursement of reasonable attorneys’ fees), and hold Valbridge Property Advisors | Charleston and its employees, agents, representatives, and/or independent contractors harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment, including claims that arise solely out of the negligence of the appraiser or Valbridge Property Advisors | Charleston. The Client also agrees that in case of lawsuit arising from or in any way involving these appraisal services, Client shall indemnify, defend (including the reimbursement of reasonable attorneys’ fees) and hold Valbridge Property Advisors | Charleston and its employees, agents, representatives, and independent contractors harmless from and against any liability, loss, cost, or expense incurred or suffered by Valbridge Property Advisors | Charleston in such action, regardless of its outcome.

36. The appraiser responsible for the preparation for the appraisal report is an employee and/or independent contractor of Charleston. Neither Valbridge Property Advisors, Inc., nor any of its affiliates has been engaged to provide this report. Valbridge Property Advisors, Inc. does not provide valuation services and has taken no part in the preparation of this report.

37. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.

38. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification – Pledger M. Bishop, III

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. The undersigned Pledger M. Bishop, III performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Pledger M. Bishop, III has personally inspected the subject property.
10. No one provided significant real property appraisal assistance to those signing this certification, unless otherwise noted.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

13. As of the date of this report, Pledger M. Bishop, III completed the continuing education program for Designated Members of the Appraisal Institute.

Pledger M. "Jody" Bishop III, MAI, SRA, AI-GRS, CRE

Senior Managing Director

South Carolina Certified General CG 795

License Expires 6/30/2024

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CHARLESTON COUNTY COUNCIL
LONNIE HAMILTON, III PUBLIC SERVICES BUILDING
4045 BRIDGE VIEW DRIVE
CHARLESTON, SOUTH CAROLINA
29405-7464

October 29, 2025

The Honorable William Cogswell
Mayor, City of Charleston
PO Box 652
Charleston, SC 29402

Mayor Cogswell:

We are in receipt of your letter dated October 22, 2025, regarding the recent appraisal commissioned by the City of Charleston for 995 and 993 Morrison Drive. We appreciate your communication and the City's continued commitment to collaboration on this important project.

After reviewing the information you provided with all relevant parties, Charleston County respectfully disagrees with the conclusions of the City's appraisal for various reasons, including, but not limited to the disparate comparable property sales utilized for the appraisal. We remain confident in the accuracy and fairness of our valuation and in the sales price established in the Purchase and Sale Agreement.

We understand that the City is still within its due diligence period and may be evaluating its available options. Should the City decide to exercise its option to withdraw from the contract, we ask that you kindly provide notice of that decision as soon as possible, rather than waiting until the expiration of the due diligence period.

At this time, the County will not be making any considerations for changes to the agreed-upon sales price.

We appreciate your attention to this matter and your continued partnership as both our governments work to advance shared community goals.

Sincerely,

Kylon Jerome Middleton, EdD

Rev. Dr. Kylon Jerome Middleton
Chairman
Charleston County Council

City of Charleston

WILLIAM S. COGSWELL, JR.
MAYOR

October 30, 2025

Rev. Dr. Kylon Jerome Middleton
Chairman, Charleston County Council
4045 Bridge View Drive
North Charleston, SC 29405
VIA EMAIL

RE: Purchase and Sale of 993/995 Morrison Drive

Chairman Middleton:

In response to your letter yesterday rejecting any further discussions related to the sales price, it is my sincere hope that you will respectfully reconsider.

I want to be very clear- we at the City are ready and willing to pay fair market value for the property. This site is a key component in a large-scale effort we are working on with the Charleston Housing Authority to provide affordable housing for generations. We are not trying to get a deal or to take money out of the County's pocket. We are both stewards of public money and I respect that we have a mutual fiduciary duty to the taxpayer.

You have an appraisal that gives a wide range of values that is a year old. We have a current appraisal that you reject "for various reasons, including, but not limited to the disparate comparable property sales utilized." Since you also rejected my previous proposal to have the two appraisers get together to determine value, I propose the following alternative to hopefully salvage this deal:

1) Your appraiser updates his valuation so that it is current and limited only to the affordable housing deed restrictions outlined in Section 5 (b)(i)(1) of the PSA. Your appraiser can assume that the Tech Overlay would be removed from the property assuming Section 5 (b)(i)(1) is met. If the current PSA price is off from what they come up with (be it high or low), your appraiser defines what changes would need to be made to Section 5 (b)(i)(1) to satisfy the $30M valuation.

P.O. BOX 652, CHARLESTON, SOUTH CAROLINA 29402
843-724-3737 COGSWELLW@CHARLESTON-SC.GOV

2) Charleston County confirms that it will forgo its roughly 25% share of all future property taxes per the "Extraordinary Assumptions and Hypothetical Conditions" defined in your appraisal. Your appraisers' previous valuations are dependent upon this condition (See #2), so I assume this is something you were planning to do regardless.

I believe that if your appraiser updates his number to validate the current PSA price with defined conditions, and the County affirms the conditions it has direct control over as set forth by your appraiser regarding future property taxes, my Council will agree to move forward.

Please let me know if this is acceptable. I plan to present your response to City Council at our next meeting, which is scheduled for Wednesday, November 12th at 5:00pm. If you or any members of your council would like to attend and present, we are happy to accommodate.

Respectfully Submitted,

William S. Cogswell, Jr.
Mayor, City of Charleston

cc. martinj
dieckl
copelandj
tutenb
hamn

P.O. Box 652, Charleston, South Carolina 29402
843-724-3737 Cogswellw@charleston-sc.gov

Rev. Dr. Kylon Jerome Middleton - Chair
Larry Kobrovsky – Vice Chair
Joe Boykin
Henry E. Darby
Jenny Costa Honeycutt
C. Brantley Moody
Teddie E. Pryor, Sr.
Herbert R. Sass, III
Robert L. Wehrman

Kristen L. Salisbury, Clerk
(843) 958-4030
1-800-524-7832
FAX (843) 958-4035
E-mail: ksalisbury@charlestoncounty.org

CHARLESTON COUNTY COUNCIL
LONNIE HAMILTON, III PUBLIC SERVICES BUILDING
4045 BRIDGE VIEW DRIVE
CHARLESTON, SOUTH CAROLINA
29405-7464

November 12, 2025

The Honorable William S. Cogswell, Jr.
Mayor, City of Charleston
PO Box 652
Charleston, SC 29402

Re: Your Letter, October 30,2025

Mayor Cogswell:

Thank you for your letter and for outlining your potential path forward. I appreciate the collaborative spirit in which it was written, and I share your commitment to ensuring that both the City and the County act responsibly as stewards of public funds.

I had my team coordinate with the appropriate departments and the County's appraiser to review the two proposed alternative conditions you referenced.

1. Attached you will find a revised appraisal completed November 10, 2025, validating the value exceeding $30M with the current PSA affordable housing deed restriction considered. Based upon discussions with our appraiser and the recent appraisal, we remain confident that the PSA agreed upon value is appropriate, a deal even.

2. After investigation of the Extraordinary Assumptions and Hypothetical Condition, "to apply for and receive up to 25% share of all future property taxes," the county has concluded this property would not qualify for the ATI Real Property Tax Exemption under S.C. Code of Laws Section 12-37-3135. Additionally, in discussions with the County's appraiser, it was confirmed that the ATI Real Property Tax Exempt option not being available to the City as the purchaser would have no effect on the appraised value, whether the buyer is the City or a private party. The appraiser has noted this within the reappraisal report.

It is my hope that this additional information satisfies the City's concerns but again, understanding that you are well within your due diligence period, please let us know as soon as possible of your intent regarding this property.

Respectfully,

Kylon Jerome Middleton, EdD

Rev. Dr. Kylon J. Middleton
Chairman, Charleston County Council

City of Charleston + Charleston Housing Authority + WestEdge Foundation Partnership

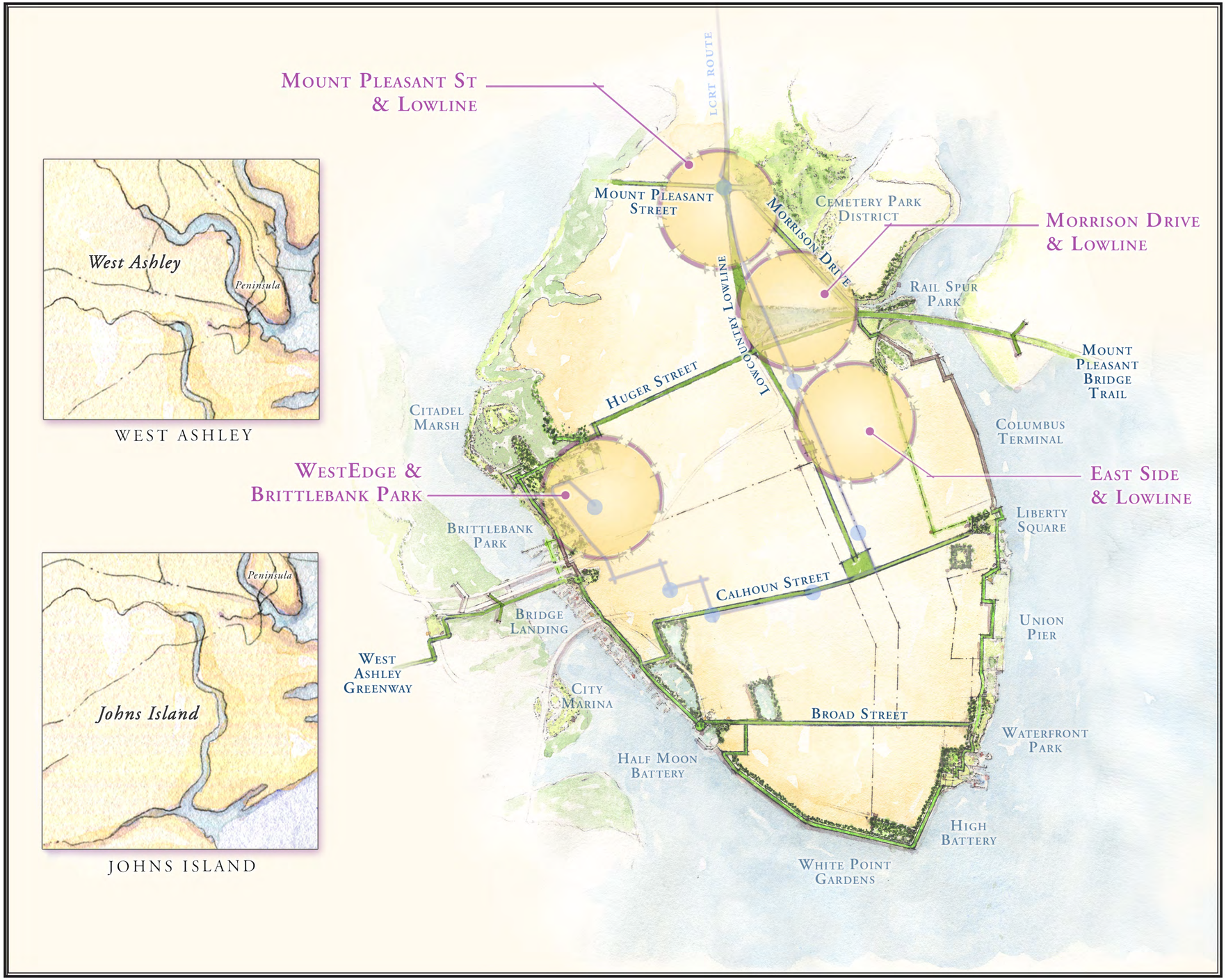
Charleston Housing Authority
Board Meeting

November 20. 2025

CITY OF CHARLESTON

HOUSING STRATEGY

The City of Charleston has developed a comprehensive affordable housing strategy with a goal of creating 3,500 units by 2032. To date, 178 units have been completed, with additional developments and partnerships planned across the Peninsula, West Ashley, and Johns Island. This initiative reflects the City's commitment to expanding housing opportunities and supporting diverse, thriving communities.

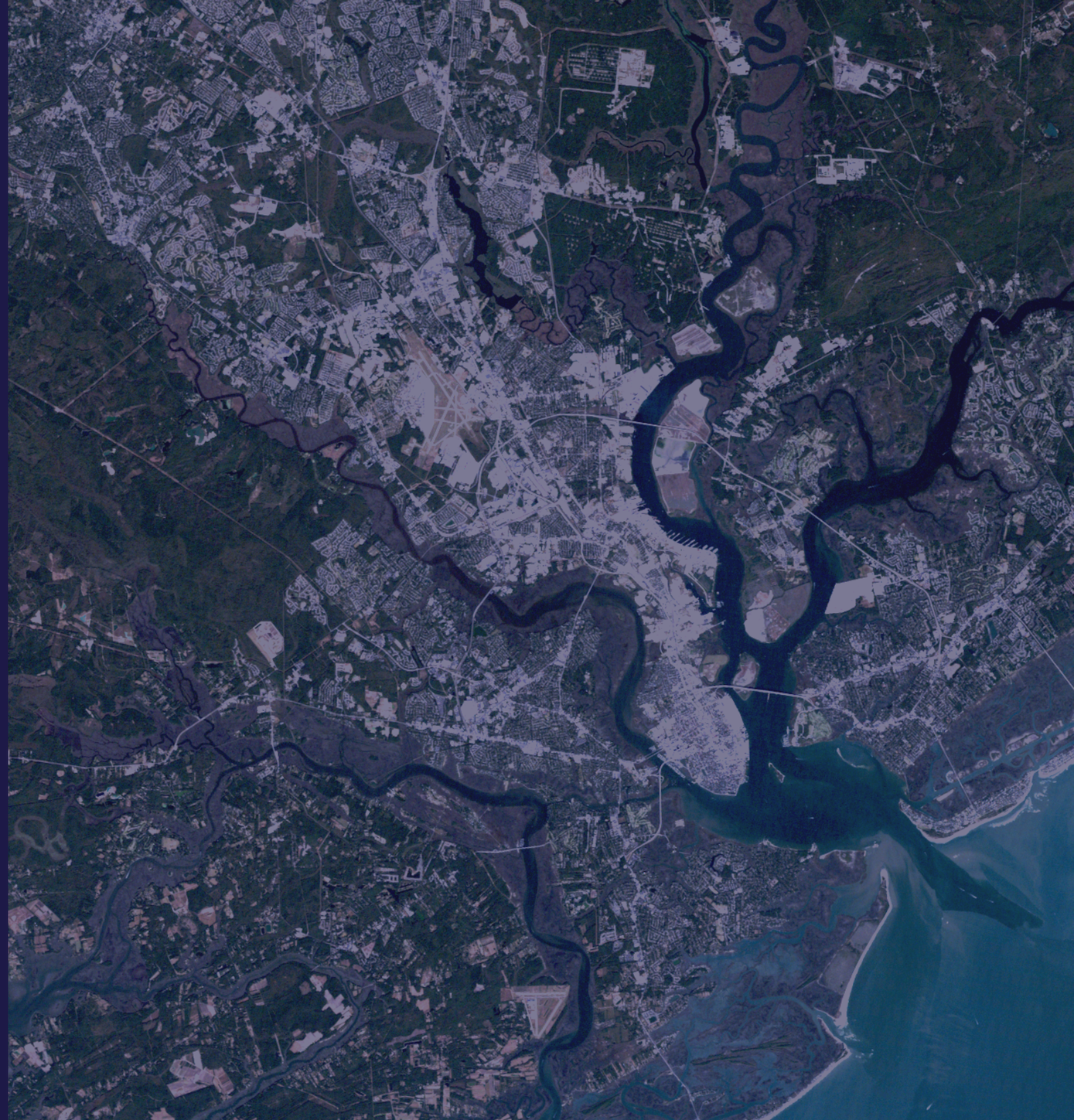


City of Charleston, South Carolina
Sottile & Sottile, *Urban Design*

BLOOMBERG ASSOCIATES + CITY OF CHARLESTON HOUSING REPORT

Summary + Next Steps

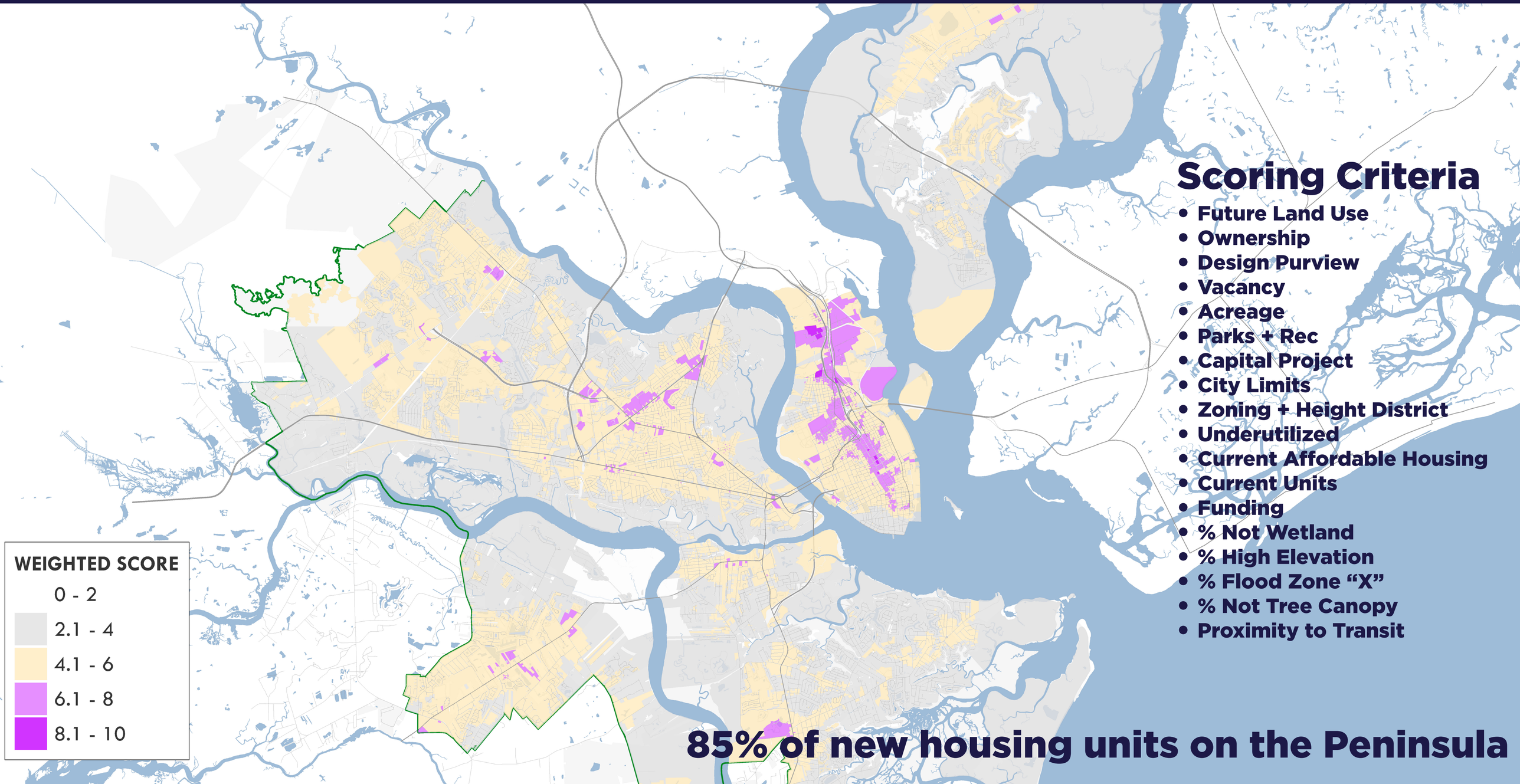
- Population has increased significantly
- AMI doubled past 12 years
- Smaller + Wealthier Households
- Lower income households will continue to lose out
- Market conditions are pushing people out
- Pressure on Traffic + Infrastructure
- Housing Goal Next 7 Years (2024-2031):
  3,500 more affordable homes:
  500 homes/year
- Previous 7 Years: 399 homes:
  57 homes/Year



ANALYSIS OF HOUSING AREAS

CHARLESTON | SOUTH CAROLINA

CITY OF CHARLESTON: BEST LOCATIONS FOR AFFORDABLE HOUSING



Scoring Criteria

- Future Land Use
- Ownership
- Design Purview
- Vacancy
- Acreage
- Parks + Rec
- Capital Project
- City Limits
- Zoning + Height District
- Underutilized
- Current Affordable Housing
- Current Units
- Funding
- % Not Wetland
- % High Elevation
- % Flood Zone “X”
- % Not Tree Canopy
- Proximity to Transit

85% of new housing units on the Peninsula

CITY OF CHARLESTON

HOUSING STRATEGY

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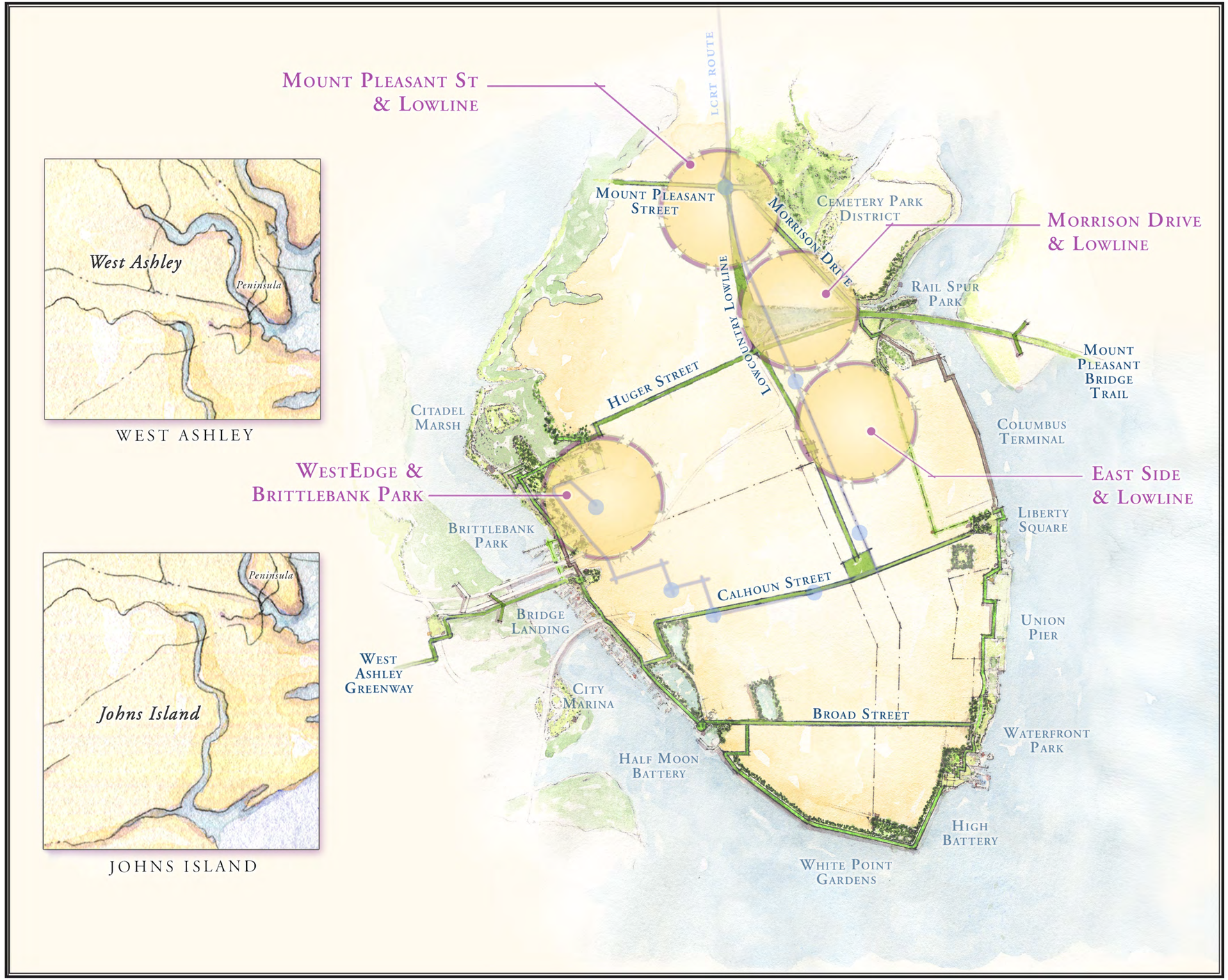


City of Charleston, South Carolina
Sottile & Sottile, *Urban Design*

COMPLETED PROJECT SITES

178

PROJECT	STATUS	ADDRESS	AREA	NEW AFFORDABLE HOUSING UNITS
James Lewis, Jr. Apts.	Completed	89 Hanover Street	Peninsula	64
Romney Street Rentals	Completed	195 Romney Street	Peninsula	2
Morrison Yard	Completed	838 Morrison Drive	Peninsula	19
Archer School	Completed	226 Nassau Street	Peninsula	89
Foundry Alley PUD (57 Hanover)	Completed	57 Hanover Street	Peninsula	1
79 Cooper St	Completed	79 Cooper Street	Peninsula	1
5 Porters Court	Completed	5 Porters Court	Peninsula	1
14 Porters Court	Completed	14 Porters Court	Peninsula	1

SITES UNDER DEVELOPMENT

969

PROJECT	EST. COMPLETION	ADDRESS	AREA	NEW AFFORDABLE HOUSING UNITS
36 Cooper Street	2027	36 Cooper Street	Peninsula	4
Lowline Affordable Housing	2027	678 King Street	Peninsula	55
1345 Rutledge Ave	2027	1345 Rutledge Avenue	Peninsula	3
52 Kennedy St	2027	52 Kennedy Street	Peninsula	2
1555 Juniper Street	2025	1555 Juniper Street	West Ashley	10
Grove at Johns Island (Apts Family)	2027	1725 River Road	Johns Island	90
Grove at Johns Island (Apts Senior)	2030	1726 River Road	Johns Island	65
569-571 King Street	2025	569-571 King Street	Peninsula	4
89 Fishburne Street	2025	89 Fishburne Street	Peninsula	4
One 80 Place (573 Meeting St)	2025	573 Meeting Street	Peninsula	70
Courier Square Phase II	2027	635 King Street	Peninsula	15
Star Gospel Mission	2028	474 Meeting Street	Peninsula	40
1890 Ashley River Road	2028	1890 Ashley River Road	West Ashley	11
Gateway Senior Housing	2025	2280 Henry Tecklenburg Drive	West Ashley	69
Bermuda Point	2027	600 Thriving Way	West Ashley	40
840 Wappoo Road	2030	840 Wappoo Road	West Ashley	3
Esau Jenkins Village	2025	3611 Maybank Highway	Johns Island	72
Ashley Landing Redevelopment	2027	1401 Sam Rittenberg Blvd	West Ashley	32
Restore at Point Hope Ph III	2027	1260 Clements Ferry Road	Cainhoy	150
275 Huger	2028	275 Huger Street	Peninsula	75
Magnolia PUD	2030	2198 Milford Street	Peninsula	150
Pioneer Alley PUD	2030	105 Cannon Street	Peninsula	5

NEW TARGETED SITES

1540

PROJECT	EST. COMPLETION	ADDRESS	AREA	NEW AFFORDABLE HOUSING UNITS
993 + 995 Morrison Drive	2032	993 + 995 Morrison Drive	Peninsula	390
WestEdge	2032	305 Fishburne Street	Peninsula	500
Hope Center Rapid Housing	2027	1910 Herbert Street	Peninsula	65
Aquarium Site	2030	24 Calhoun Street	Peninsula	30
Mount Pleasant Street Redevelopment	2030	823 Meeting Street	Peninsula	185
2212 Heriot Street	2028	2212 Heriot Street	Peninsula	34
3-9 Cunnington Avenue	2029	3-9 Cunnington Avenue	Peninsula	46
Abandoned Union Pier Rail Spur	2029	40 Washington Street	Peninsula	50
Verdier Partnership with Roper St Francis	2030	1436 Bees Ferry Road	West Ashley	75
Varn Greenway Site + City Site	2029	Savannah Highway	West Ashley	165

CHARLESTON HOUSING AUTHORITY SITES

832

PROJECT	EST. COMPLETION	ADDRESS	AREA	NEW AFFORDABLE HOUSING UNITS
Cooper River Court and Meeting Street Manor	2030	230 Hanover Street	Peninsula	475
Gadsden Green + Extension	2030	233 Line Street	Peninsula	103
Meeting Street Manor Extension	2030	59 Romney Street	Peninsula	52
Wraggborough Homes + Extension	2030	501 East Bay Street	Peninsula	202

AFFORDABLE HOUSING

The City of Charleston has developed a comprehensive affordable housing strategy with a goal of creating 3,500 units by 2032. To date, 178 units have been completed, with additional developments and partnerships planned across the Peninsula, West Ashley, and Johns Island. This initiative reflects the City's commitment to expanding housing opportunities and supporting diverse, thriving communities.

TOTAL UNITS

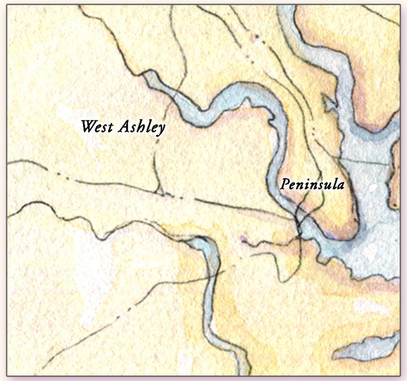
3519

BY 2032

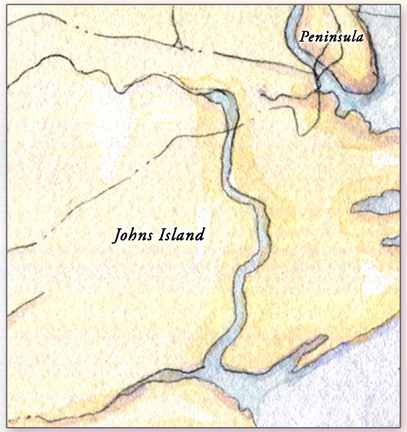
CITY OF CHARLESTON

COMPLETED PROJECT SITES

1. James Lewis, Jr. Apartments
2. Romney Street Rentals
3. Morrison Yard
4. Archer School
5. Foundry Alley
6. 79 Cooper Street
7. 5 Porters Court
8. 14 Porters Court



WEST ASHLEY



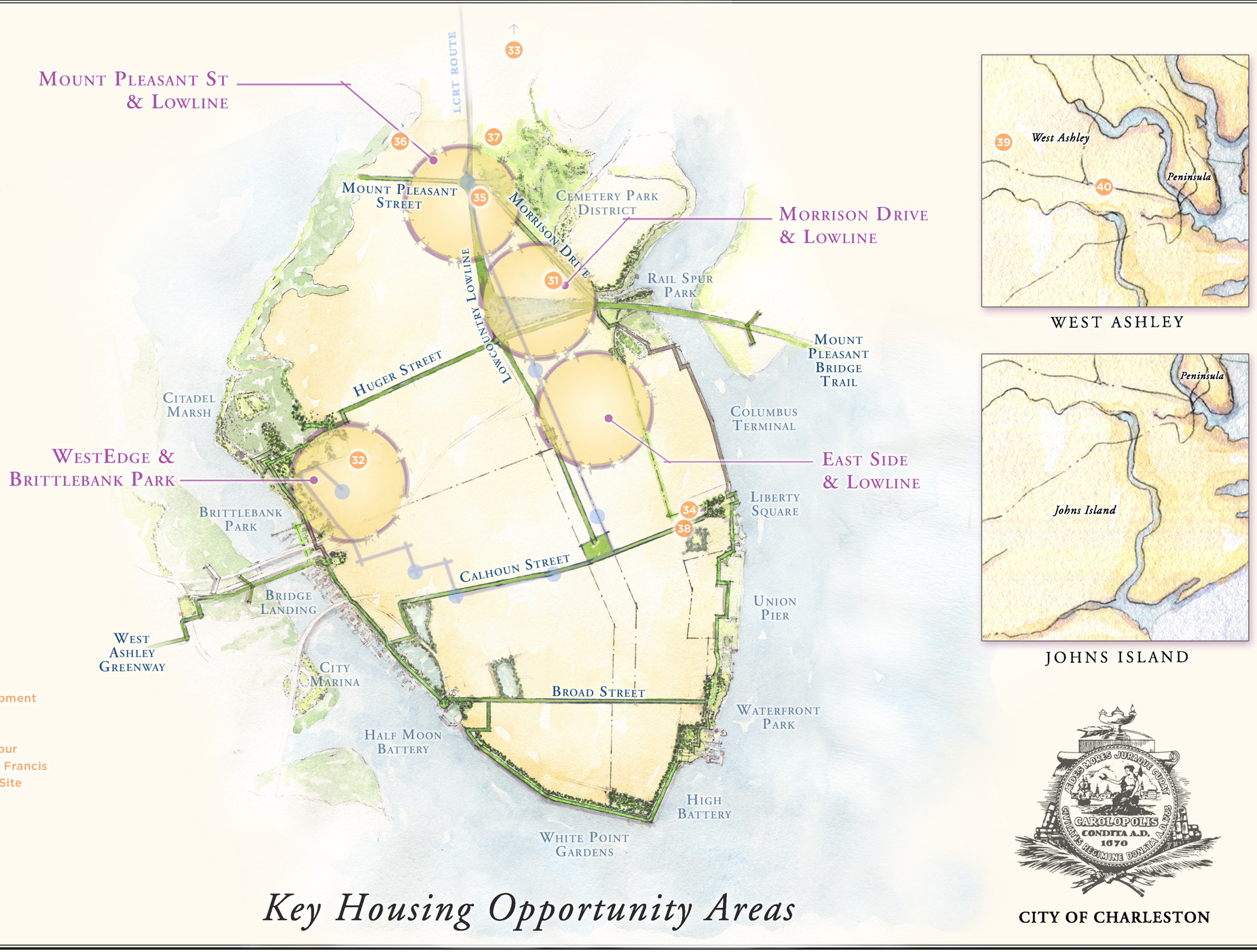
JOHNS ISLAND

CITY OF CHARLESTON

Key Housing Opportunity Areas

Sottile & Sottile, *Urban Design*

SITES UNDER DEVELOPMENT
9 36 Cooper Street
10 Lowline Affordable Housing
11 1345 Rutlege Avenue
12 52 Kennedy Street
13 1555 Juniper Street
14 Grove at St. Johns Family Apartments
15 Grove at St. Johns Senior Apartments
16 569-571 King Street
17 89 Fishburne Street
18 One 80 Place
19 Courier Square Phase II
20 Star Gospel Mission
21 1890 Ashley River Road
22 Gateway Senior Housing
23 Bermuda Point
24 840 Wappoo Road
25 Esau Jenkins Village
26 Ashley Landing
27 Restore at Point Hope Phase III
28 275 Huger Street
29 Magnolia PUD
30 Pioneer Alley PUD
Mount Pleasant St & Lowline
Morrison Drive & Lowline
WestEdge & Brittlebank Park
East Side & Lowline
LCRT Route
Mount Pleasant Street
Cemetery Park District
Morrison Drive
Lowcountry Lowline
Rail Spur Park
Mount Pleasant Bridge Trail
Huger Street
Citadel Marsh
Columbus Terminal
Liberty Square
Brittlebank Park
Calhoun Street
Bridge Landing
Union Pier
West Ashley Greenway
City Marina
Broad Street
Waterfront Park
Half Moon Battery
High Battery
White Point Gardens
West Ashley
Peninsula
Johns Island
Peninsula
WEST ASHLEY
JOHNS ISLAND
CAROLOPOLIS
CONDITA A.D. 1670
CITY OF CHARLESTON
Key Housing Opportunity Areas
Sottile & Sottile, Urban Design



NEW TARGETED SITES

31. 993 + 995 Morrison Drive
32. WestEdge Residential
33. Hope Center Rapid Housing
34. Aquarium Site
35. Mt. Pleasant Street Redevelopment
36. 2212 Heriot Street
37. 3-9 Cunnington Avenue
38. Abandoned Union Pier Rail Spur
39. Verdier Parntership Roper St. Francis
40. Varn Greenway Site and City Site

WEST ASHLEY

JOHNS ISLAND

Key Housing Opportunity Areas

CITY OF CHARLESTON

Sottile & Sottile, *Urban Design*

WEST ASHLEY

JOHNS ISLAND

CHARLESTON HOUSING AUTHORITY SITES

41 Cooper River Court + Meeting Street Manor
42 Gadsden Green + Extension
43 Meeting Street Manor Extension
44 Wraggborough Homes + Extension

Sottile & Sottile, *Urban Design*

Key Housing Opportunity Areas

CITY OF CHARLESTON

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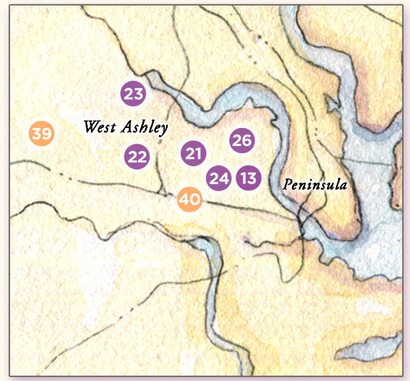


WEST ASHLEY

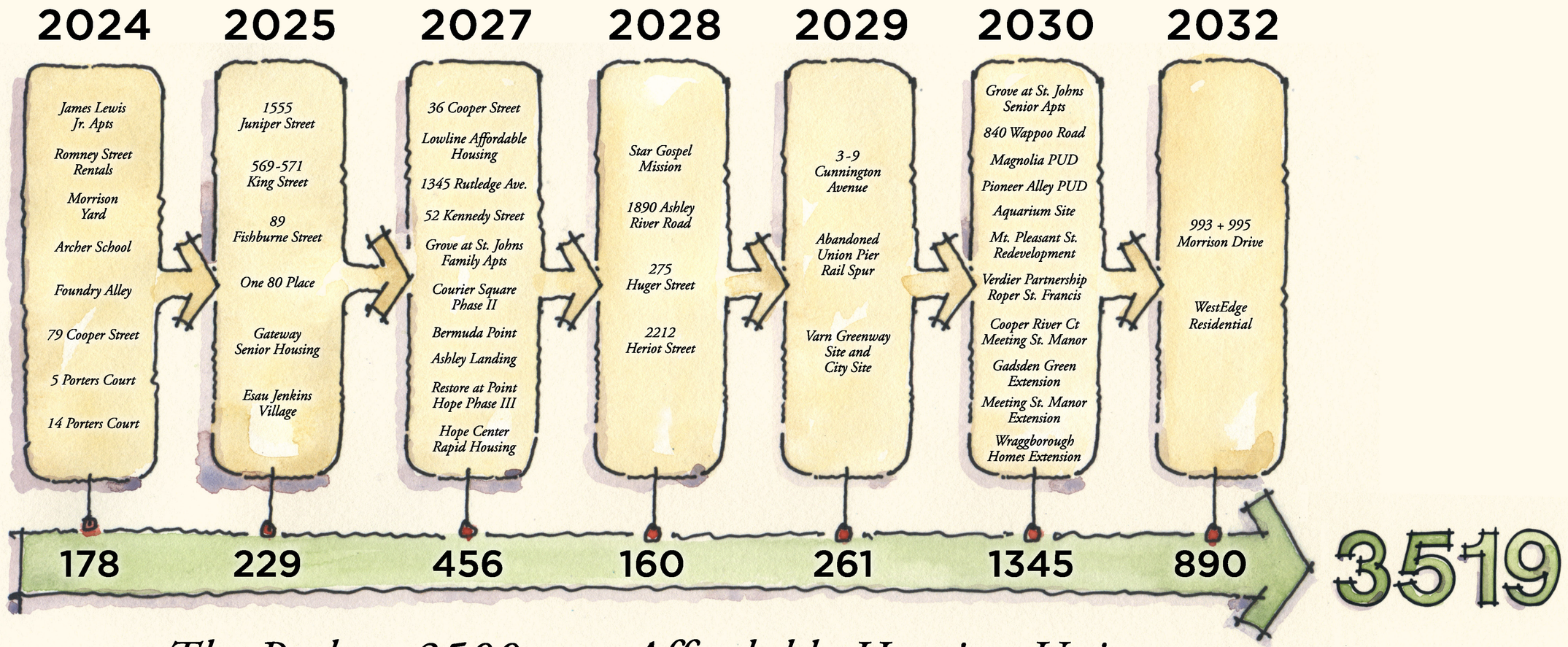
JOHNS ISLAND

Key Housing Opportunity Areas

CITY OF CHARLESTON

Sottile & Sottile, *Urban Design*

Moving Affordable Housing Forward



The Path to 3500 new Affordable Housing Units

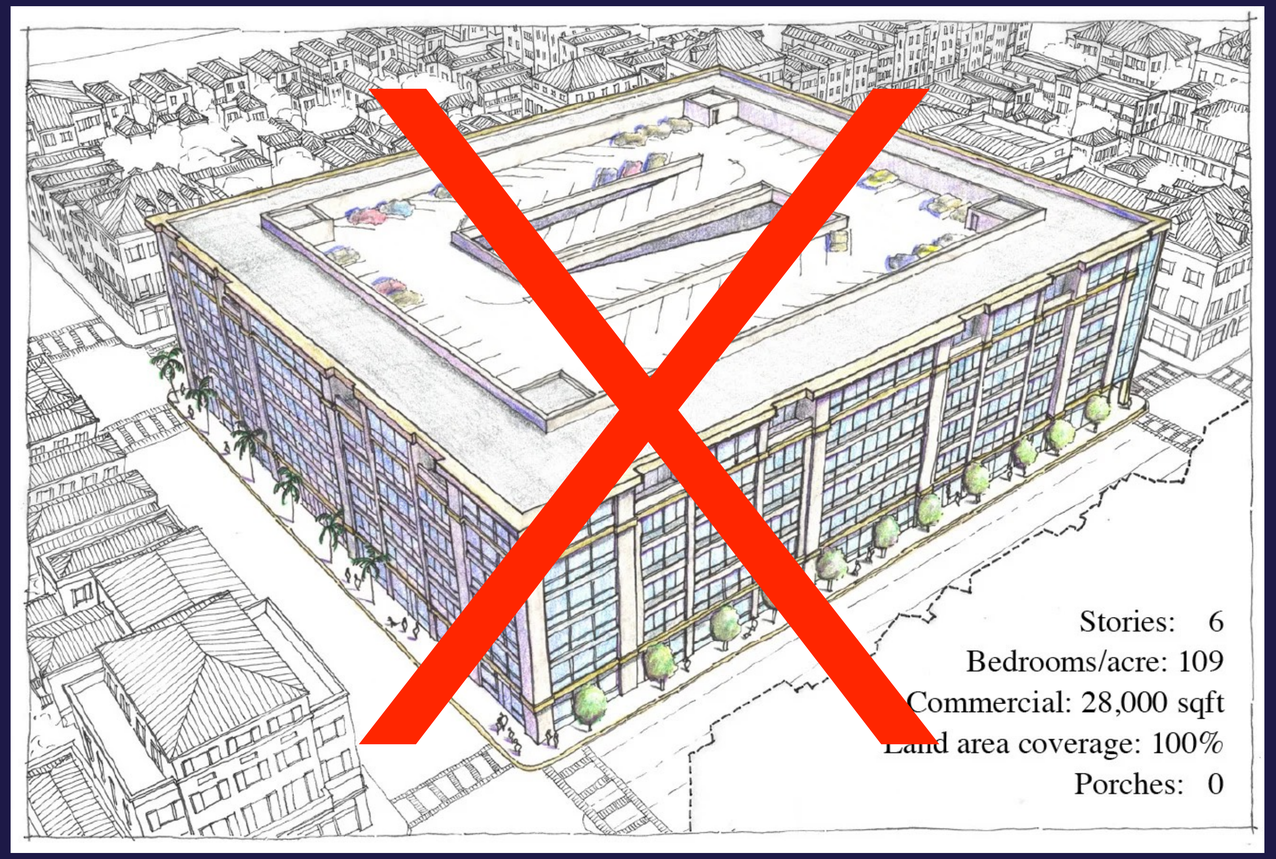
RESIDENTIAL TYPOLOGIES

CHARLESTON | SOUTH CAROLINA

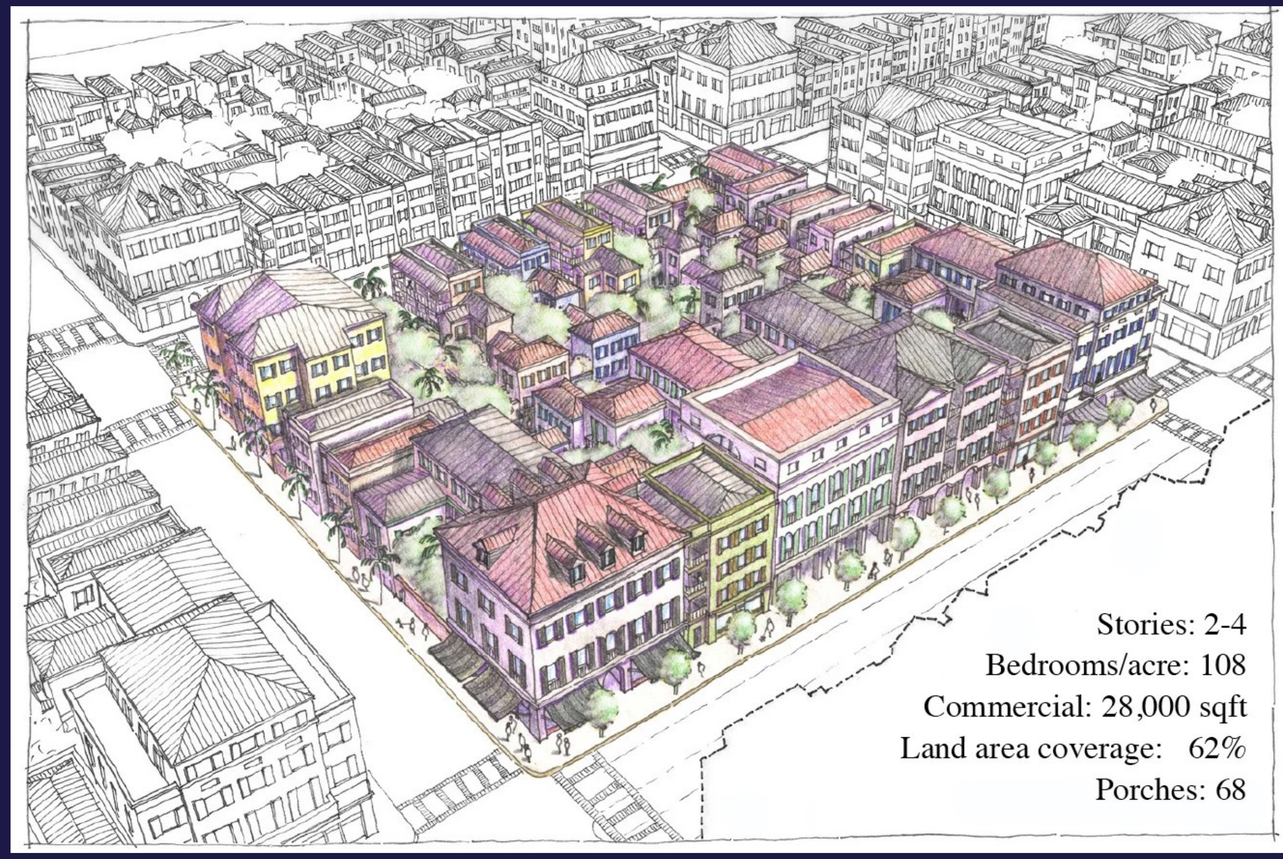
Redevelopment Assumptions

- Mixed-Income Housing
- “Of Charleston”, Durable Housing Typologies
- Redevelopment Density Goal: 80 Dwelling Units per Acre
- Redevelopment Net Affordability Goal: 50% Units are Affordable (Deed Restricted)

TEXAS DONUT



CHARLESTON BLOCK



Source: Bevan + Liberatos

BUILDING TYPES

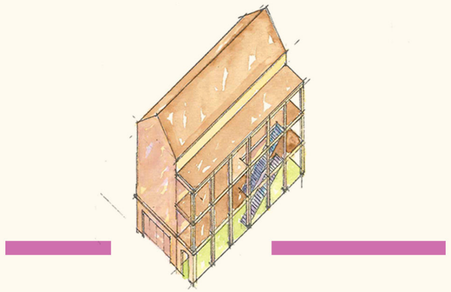
SMALL SINGLE HOUSE

SMALL APARTMENT HOUSE

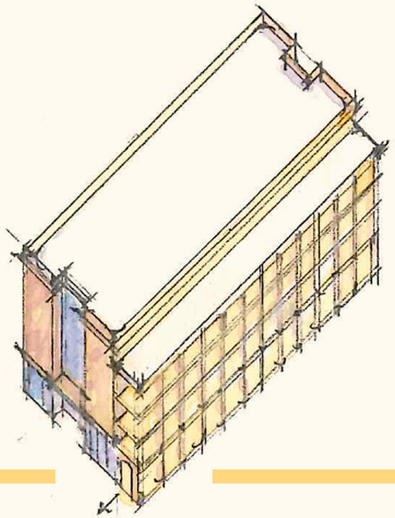
MEDIUM APARTMENT - CIVIC

MEDIUM APARTMENT - SINGLE

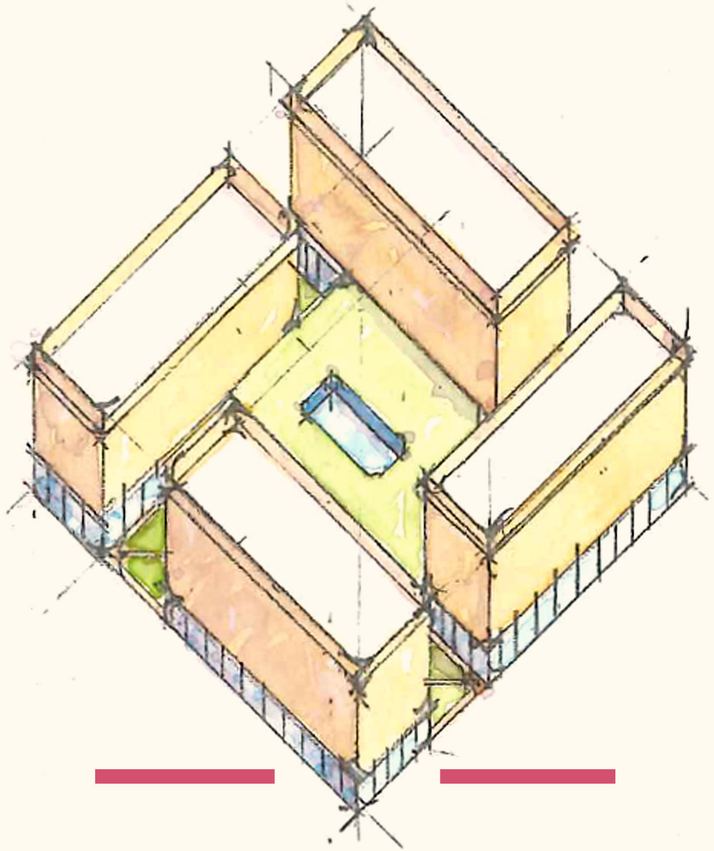
LARGE FORMAT STRUCTURED



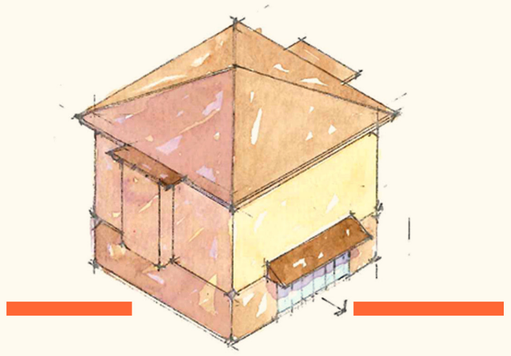
SMALL - SINGLE HOUSE TRIPLEX



MEDIUM: SINGLE APARTMENT HOUSE

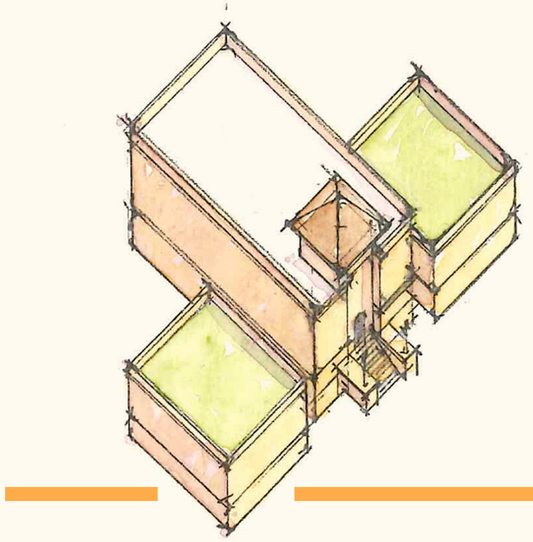


LARGE - STRUCTURED FORMAT



SMALL - APARTMENT HOUSE

SMALL - MIXED-USE APARTMENT HOUSE

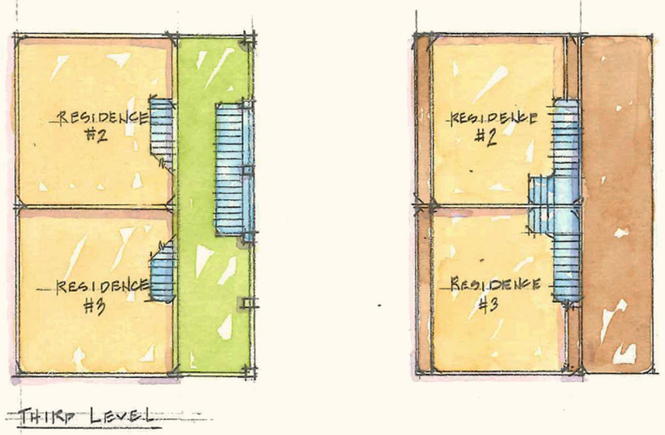


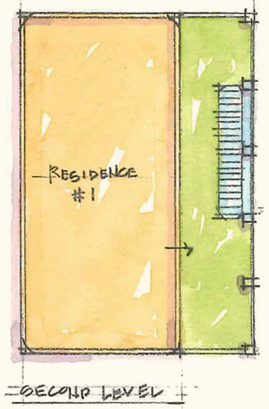
MEDIUM - CIVIC IMAGE APARTMENT HOUSE

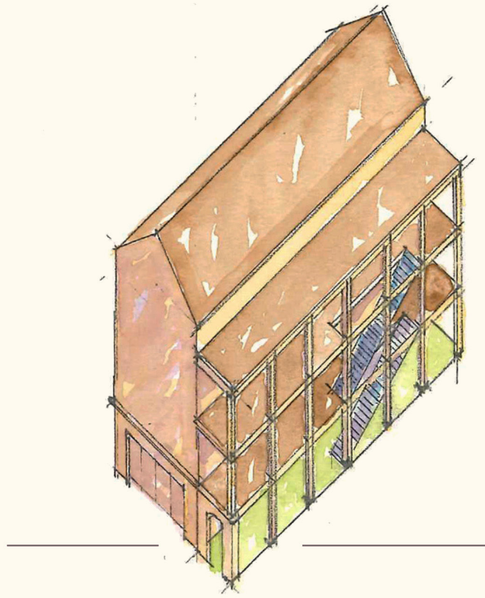
A RANGE OF TYPES

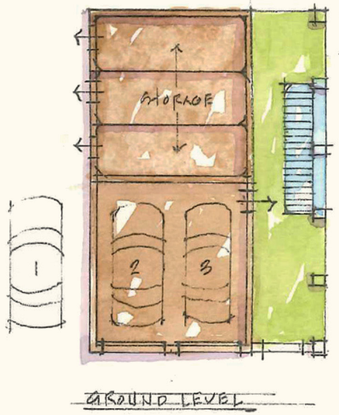
- Diverse Density
- Diverse Styles
- Diverse Scales

Creating a vibrant neighborhood that is a genuine place requires a variety of architectural expressions and a thoughtful mix of building scales ranging from small to large. All of the typologies illustrated here have been used successfully on the Charleston Peninsula and serve to provide an alternative to the monolithic, large-scale institutional development model that has become so ubiquitous in recent years and threatens the scale and character of the Charleston Peninsula.









SMALL - SINGLE HOUSE TRIPLEX

BUILDING TYPES

SMALL SINGLE HOUSE

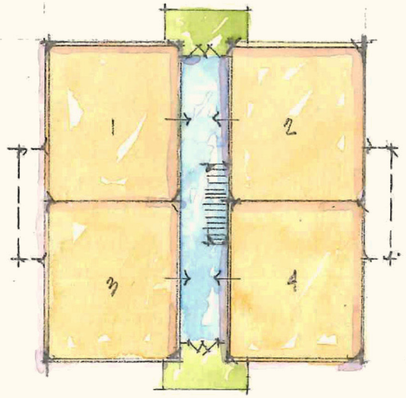
FEATURES

- 3 1/2-Story
- Triplex or Duplex
- 2-Car Garage
- Optional 1-Car Driveway

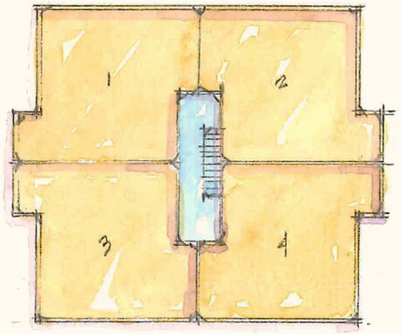
Charleston's most historic housing typology is not only well suited for single family dwellings, but it also adapts beautifully to accommodate multiple apartment residences. As illustrated on this page, the single house has been adapted to accommodate a one-story flat on level two, and 2, two-storied apartments on the third floor and half story above in the roof gable. The ground floor accommodates two cars and a dedicated storage unit for each apartment.

BUILDING TYPES

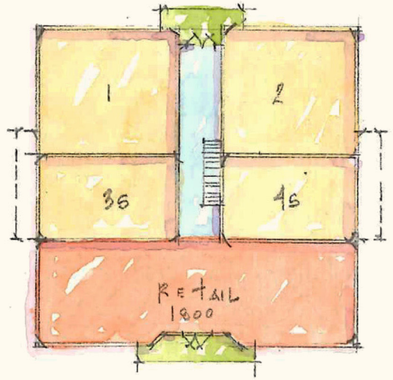
SMALL APARTMENT HOUSE



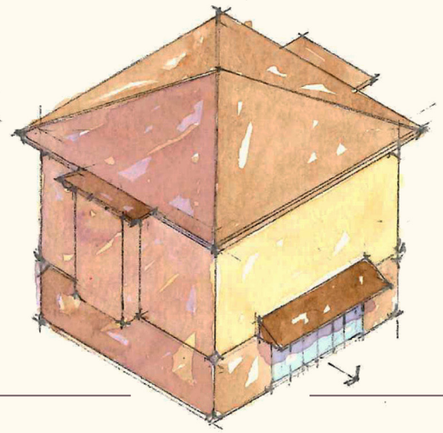
LOWER LEVEL - ALL RESIDENTIAL



LEVELS 2-3



LOWER LEVEL RES + RETAIL



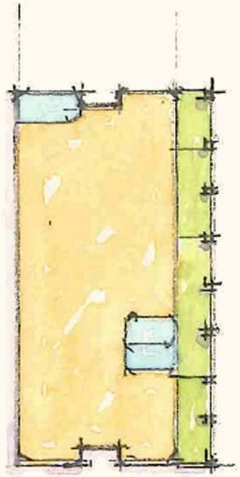
SMALL - APARTMENT HOUSE

SMALL - MIXED-USE APARTMENT HOUSE

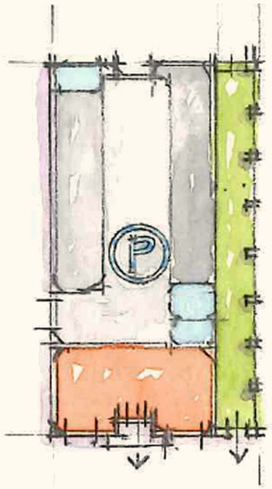
FEATURES

- 3-Story
- 12 Units
- Surface Parking

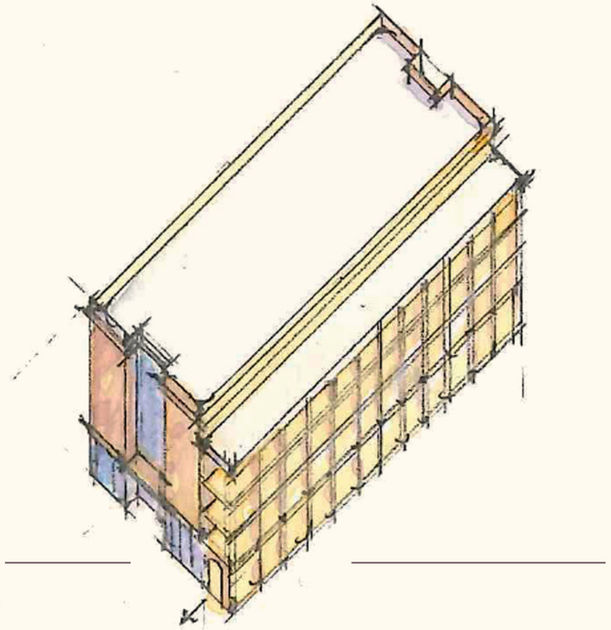
The traditional small apartment house format is an efficient and interesting typology, accessing multiple residences through a central stair hall. This prototype accommodates 8 units per building and has been used successfully in Charleston. The ground floor can also be adapted to accommodate a small retail space in locations where appropriate to the context.



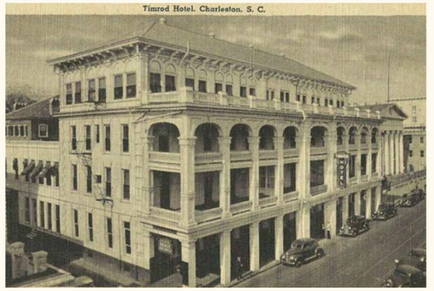
UPPER - RESIDENTS



GROUND - RETAIL + PARKING



MEDIUM - SINGLE APARTMENT HOUSE



BUILDING TYPES

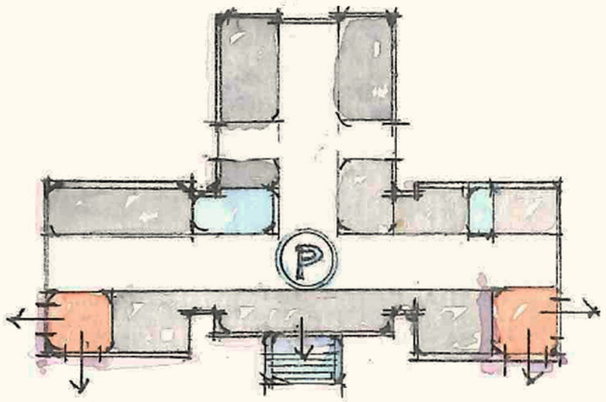
MEDIUM APARTMENT HOUSE

SINGLE HOUSE

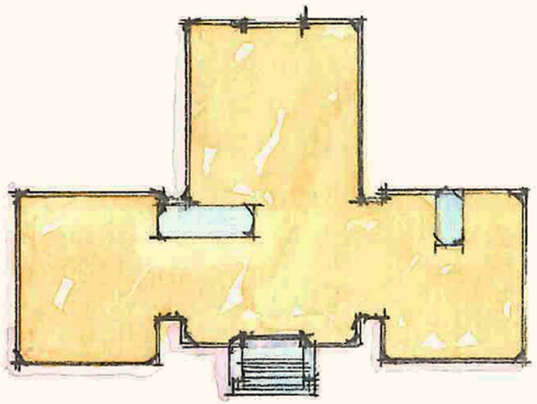
FEATURES

- 3- and 4-Story
- 50-60 Units
- Residential Above
- Ground Floor Commercial

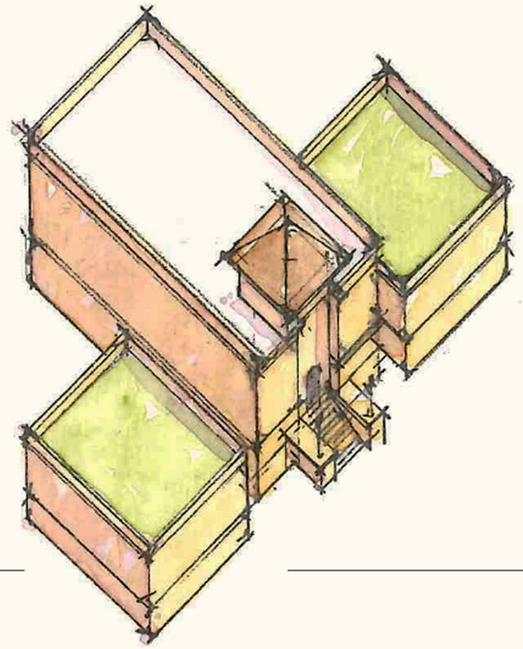
Native, vernacular typologies such as the single house can be adapted to larger scaled buildings. In this prototype, the ground level accommodates parking behind a small retail or amenity space at the ground level, with three stories of apartments above and a shared piazza along the courtyard side of the building. This is a good example of larger format buildings learning from the local vernacular in order to be related to their place.



= LOWER LEVEL - PARKING + RETAIL



= UPPER LEVEL - RESIDENTS



MEDIUM - CIVIC IMAGE APARTMENT HOUSE

BUILDING TYPES

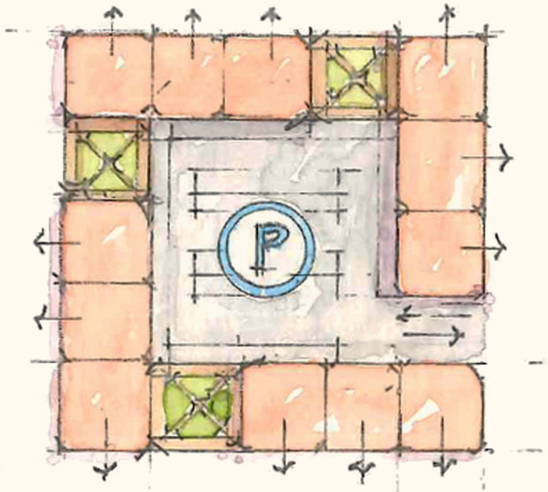
MEDIUM APARTMENT HOUSE

CIVIC IMAGE

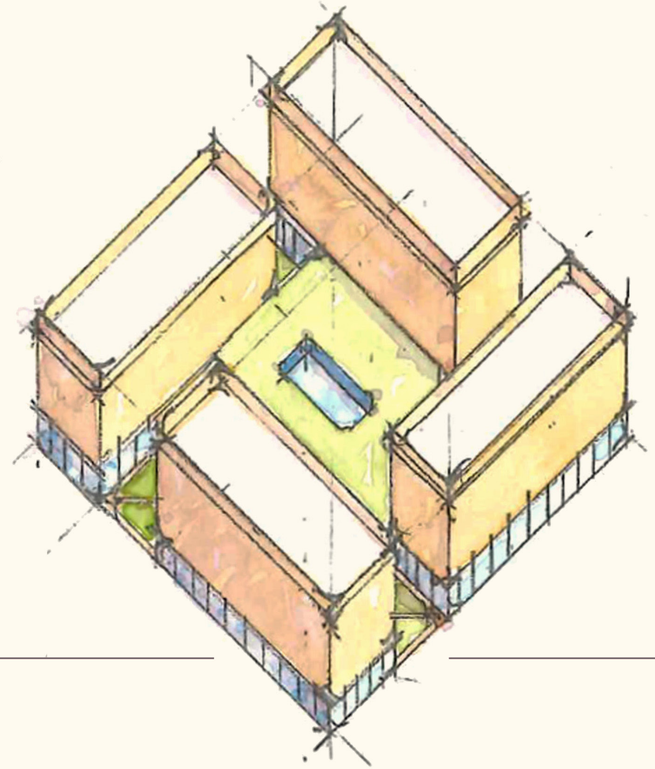
FEATURES

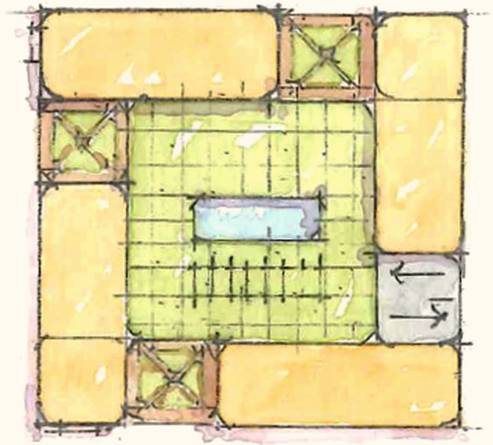
- 2- and 3-Story
- 45 Units
- Residential Above
- Ground Floor Business Incubator Space in Corners

The Medium Civic Apartment House allows an intermediate scaled building that can be imaged in the language of a traditional school or other civic building, repurposed for residential use as in a typical loft conversion. This allows buildings to fit comfortably into smaller-scale residential neighborhoods as focal points with a civic character in the streetscape.



LOWER - ACTIVE USES + PARKING





UPPER - RESIDENTS & COURTYARD

LARGE-STRUCTURED FORMAT

BUILDING TYPES

LARGE STRUCTURED FORMAT

FEATURES

- 5-Story Residential Above
- 2-Story Parking Podium
- 200-250 Residences
- Ground Floor Commercial or Residential Liner

Large-scale multi-family building formats should be integrated into the urban fabric selectively, within a diverse mix of building scales and typologies. This prototype uses a series of four distinct buildings sharing a recessed parking structure that also creates an elevated interior courtyard. The buildings are oriented so that each block face is addressed by one narrow facade and one wider facade, creating natural opportunities to diversify the architectural expression.

A simple bracketed cornice.

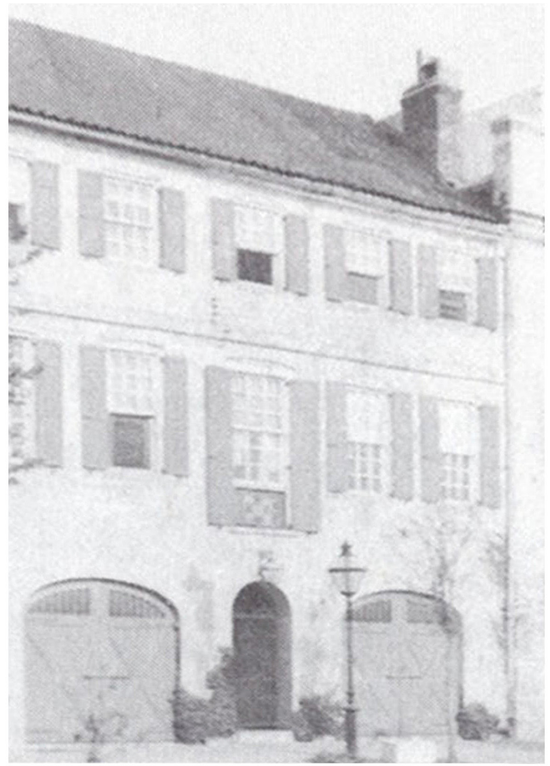
Clear base, middle, and top.

Simple building form with street entrance and side porch.

A mixture of elevated and street level entrances.

A wood apartment building in a historic Charleston neighborhood.

Generous glazing establishes a strong solid to void relationship.



A three-storied residential carriage building.

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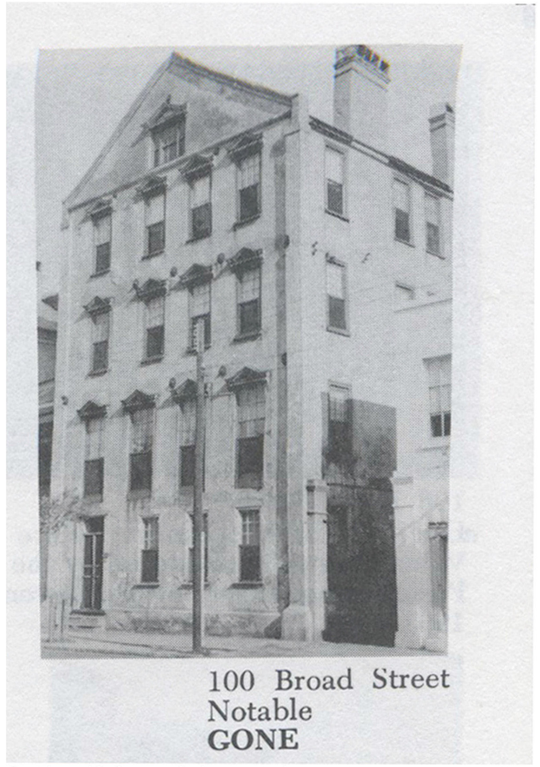
PATTERNS & PRECEDENTS

Large-scale single house format that accommodates multiple dwellings.



Simple, noble form with clear vertical proportions.

Natural stucco home on the Charleston peninsula.

Historic example of a residentially-scaled apartment house.

Well-detailed vertical facade with collected window bays.

The Murray Street School is a helpful analogy for an urban apartment house.

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PATTERNS & PRECEDENTS

The historic Timrod Hotel building illustrates the Charleston single house format at a larger scale.

Clarity and legibility with simple detailing.

Carriage buildings allow parking below.

Large scaled buildings rendered in stucco with a clear cornice line.

Ornamental details set within an otherwise simple facade.

Thoughtful detailing around a human-scaled entrance.

Expressive depth and detailing rendered in true masonry.

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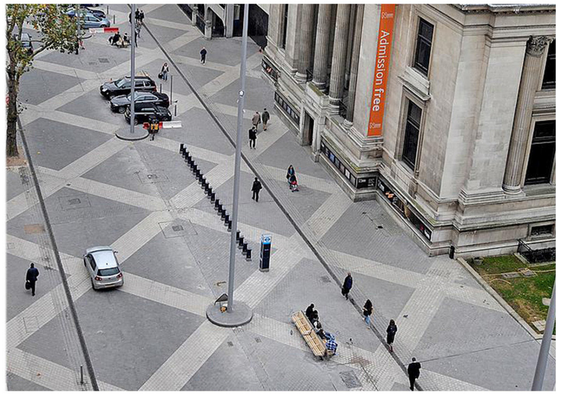
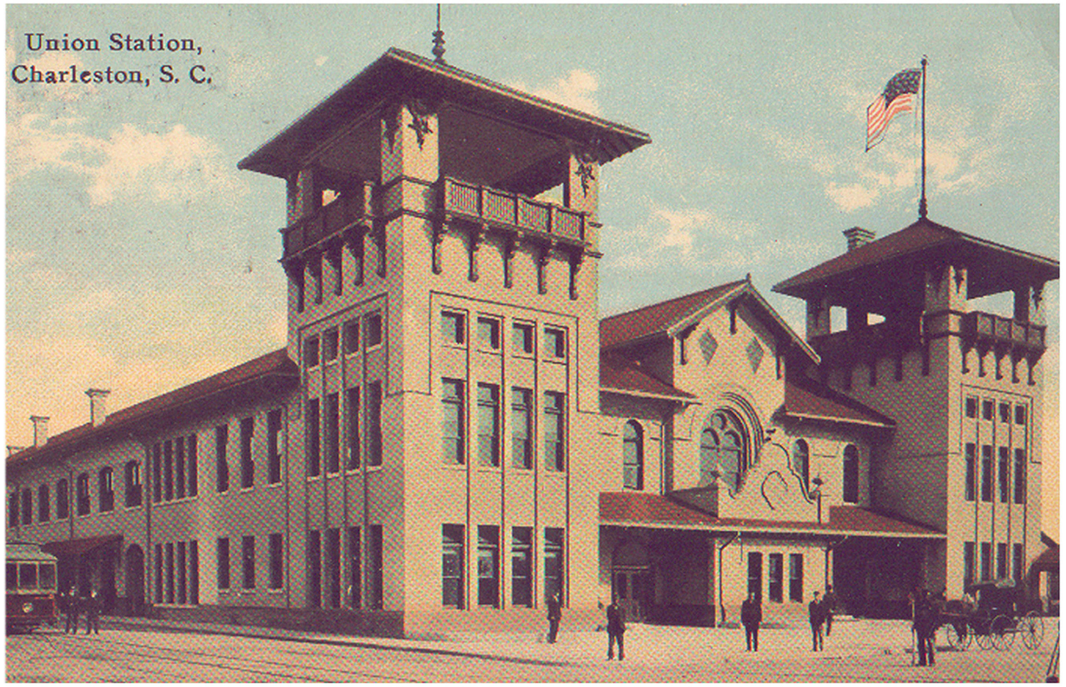
PATTERNS & PRECEDENTS



Paving patterns encourage pedestrian movement while slowing traffic.

Intimate human-scaled passages.



The historic Union Station exemplifies how a building can use verticality and the shifting of planes to emphasize the entrance.

Lower ground cover gives definition to a tree well.

Paving patterns add interest and human scale to the streetscape.

Active frontages and small retail enliven neighborhood street life.

Bollards delineate the pedestrian realm.

Trees in island wells define a parking lane and narrow the perceived width of travel lanes.

Building elements located to terminate a view axis.

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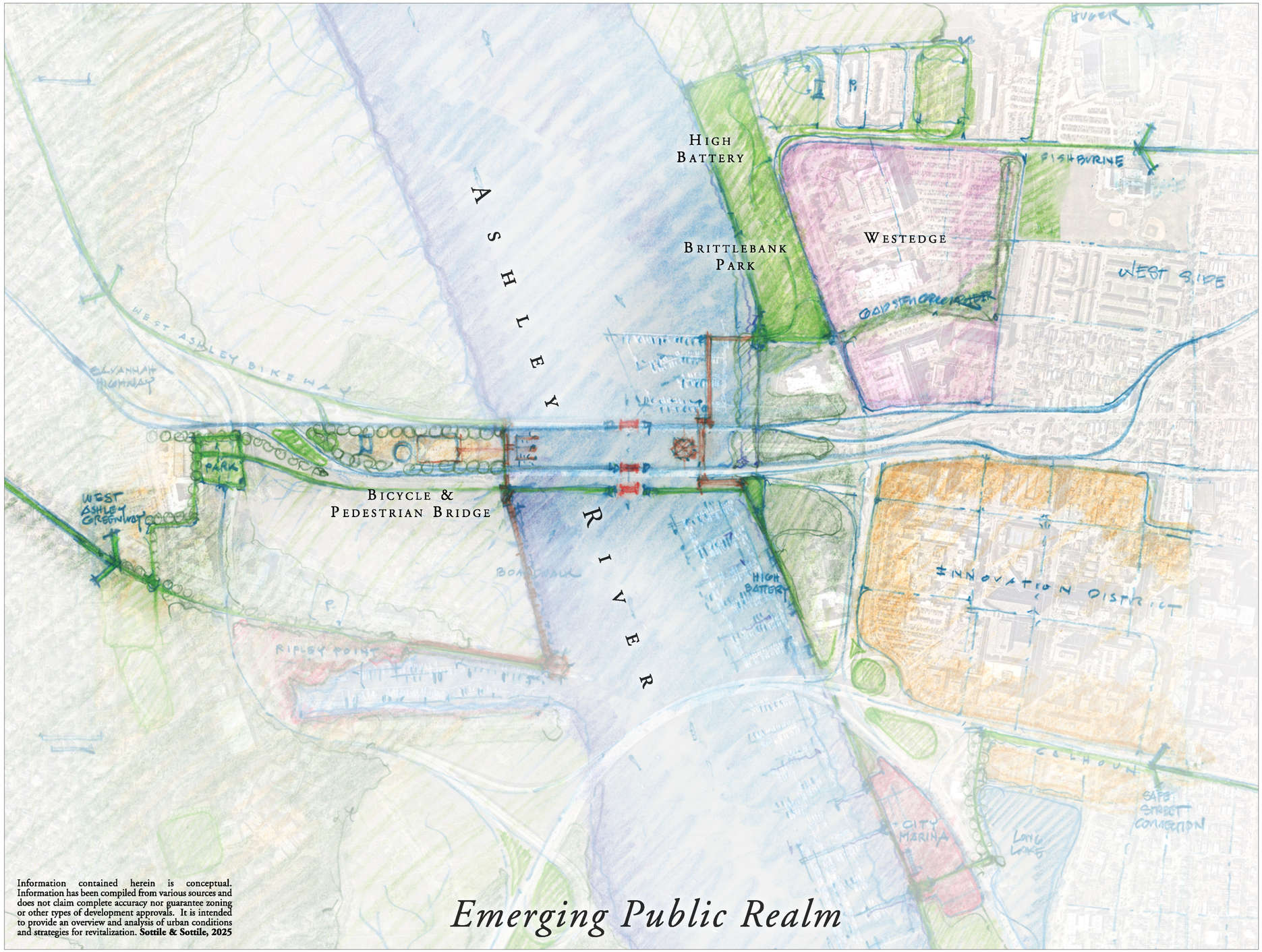
PATTERNS & PRECEDENTS

WESTEDGE FOUNDATION
URBAN MASTER PLAN



EMERGING PUBLIC REALM

A more connected and accessible public realm is emerging on the west side of the Charleston Peninsula, where an expanding network of parks, trails, and waterfront access points is transforming the urban experience.

Anchored by Brittlebank Park and enhanced by the new pedestrian and bicycle path across the Ashley River, the area around WestEdge is becoming a hub of connectivity and recreation.

Emerging Public Realm

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WESTEDGE

URBAN MASTER PLAN

WESTEDGE FOUNDATION

CHARLESTON | SOUTH CAROLINA

Existing Conditions

The WestEdge study area is surrounded by significant public amenities and open green spaces, including The Ashley River, Brittlebank Park, Stoney Field, The Joe, and Harmon Field. This creates the ideal environment for mixed-use residential infill within the WestEdge neighborhood, allowing the City of Charleston to make significant progress toward its near-term term housing goals.

200 100 0 400

North Scale

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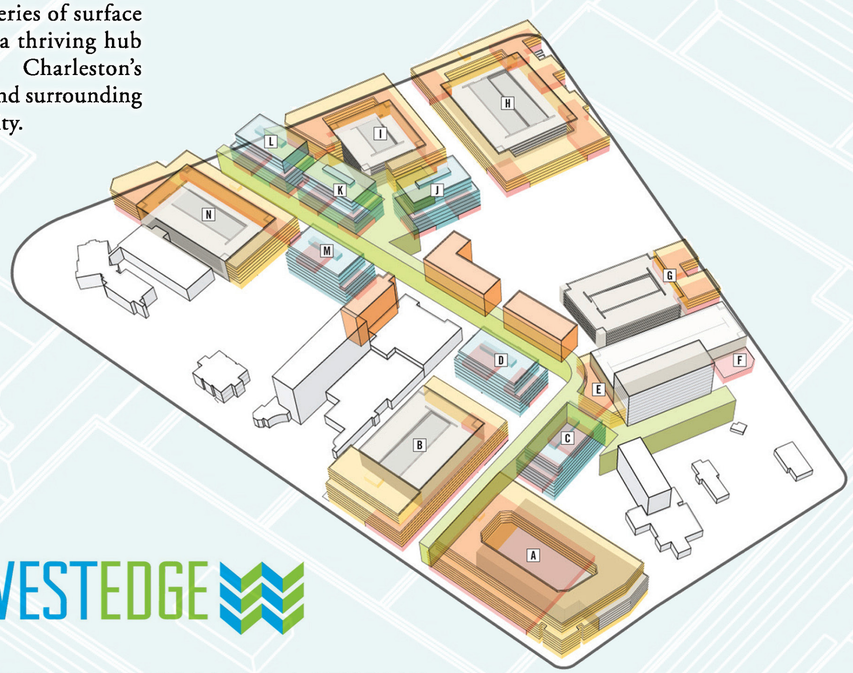
Existing Conditions

WestEdge Urban Master Plan

URBAN MASTER PLAN
WESTEDGE FOUNDATION
CHARLESTON | SOUTH CAROLINA

Previous Plan

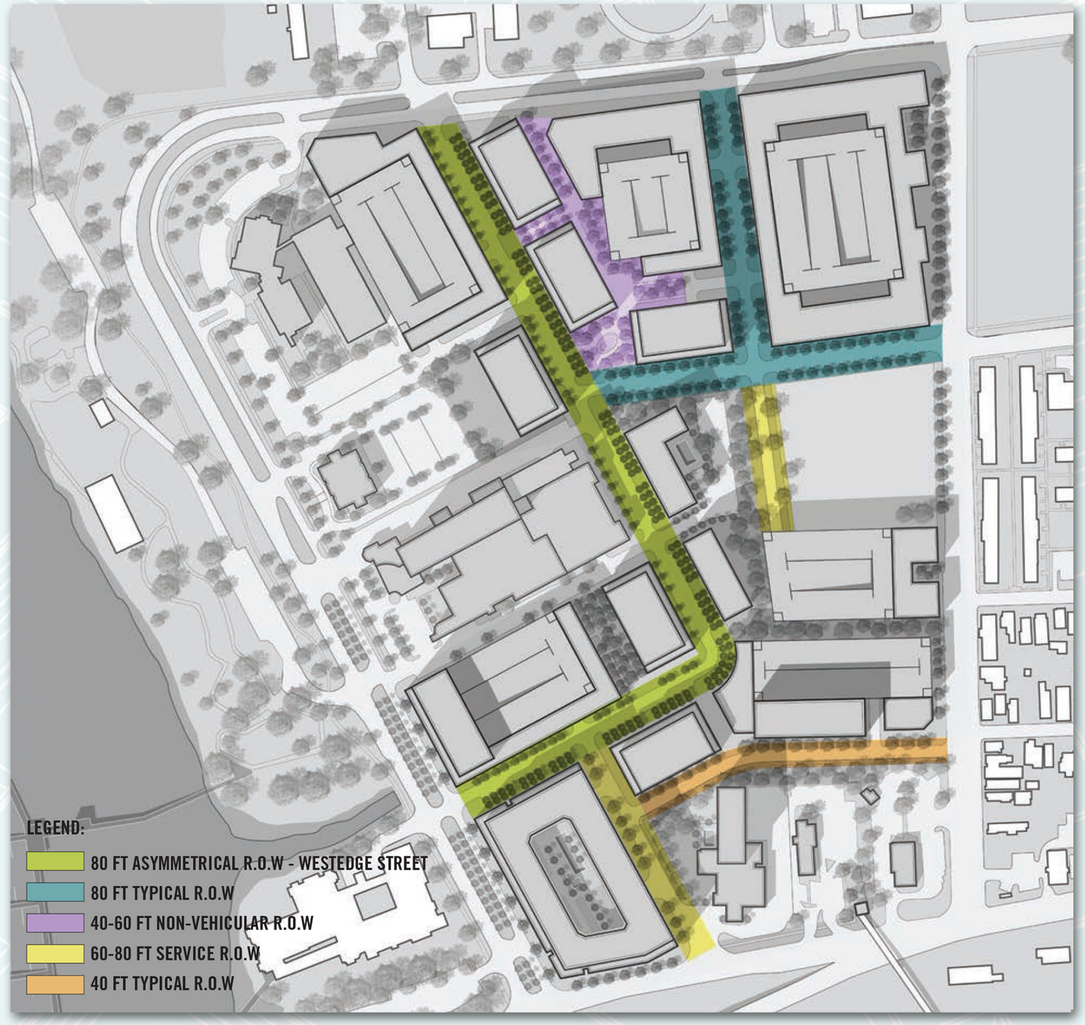
WestEdge was born out of a shared vision between leaders of the City of Charleston and the MUSC Foundation to revitalize and reimagine a series of surface parking lots into a thriving hub that supports Charleston's Medical District and surrounding business community.



WESTEDGE

DEVELOPMENT PROGRAM | KEY PLAN

- Retail (290,000 GSF)
- Office / Research (880,000 GSF)
- Residential (1.5M GSF)
- Hotel (280,000 GSF)
- Structured Parking (6,600 Total Spaces)
- WestEdge Street Public Promenade



200 100 0 400

North Scale

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Previous WestEdge Plan

WestEdge Urban Master Plan

URBAN MASTER PLAN
WESTEDGE FOUNDATION
CHARLESTON | SOUTH CAROLINA

Planning Area

Properties adjacent to the planning area should also be considered throughout the planning process. Their current forms and potential redevelopment will contribute over time to the character of the neighborhood.

200 100 0 400

North Scale

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Planning Area Analysis

WestEdge Urban Master Plan

URBAN MASTER PLAN
WESTEDGE FOUNDATION
CHARLESTON | SOUTH CAROLINA

Charleston Block Plan Alternate A

The Master Plan envisions a diverse mix of building formats and housing types with a neighborhood scale ranging from three to six stories that include street level commercial spaces that could accommodate neighborhood-oriented retail and support spaces for MUSC and the adjoining medical district.

Charleston Block Plan

Block	*Height*	*Units*
C1	*3.5 - 5*	*60*
C2	*3.5 - 6*	*370*
C3	*3.5 - 6*	*265*
C4	*3.5 - 6*	*205*
C5	*3.5 - 4*	*100*
Total Units		*1000*
Total Acres:		*12.5*
Units/Acre:		*80*
SF at Ground Level:		*46,000*
Parking:		*See Detail*

200 100 0 400

North Scale

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Housing Infill Plan

WestEdge Urban Master Plan

URBAN MASTER PLAN
WESTEDGE FOUNDATION
CHARLESTON | SOUTH CAROLINA

Charleston Block Plan Alternate B

Plan Alternate B envisions an urban lake on block C5 that can serve as a shared stormwater resource and amenity for the neighborhood.

Charleston Block Plan

Block	*Height*	*Units*
C1	*3.5 - 5*	*60*
C2	*3.5 - 6*	*370*
C3	*3.5 - 6*	*265*
C4	*3.5 - 6*	*205*
C5	*3.5 - 5*	*50*
Total Units		*950*
Total Acres:		*12.5*
Units/Acre:		*76*
SF at Ground Level:		*46,000*
Parking:		*See Detail*

200 100 0 400

North Scale

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Housing Infill Plan

WestEdge Urban Master Plan

URBAN MASTER PLAN
WestEdge Foundation
Charleston | South Carolina

Parking Plan

Parking is addressed through maximizing the number of on-street parking spaces within the neighborhood, with supporting off-street spaces accommodated below elevated buildings, within two two-storied podiums, and with limited surface spaces, all of which are screened from the street by buildings.

Parking Capacities

Off-Street Parking

Block	*Spaces*
C1	*60*
C2	*400*
C3	*160*
C4	*160*
C5	*80*
Subtotal:	*860*
On-street Parking:	*240*
Total:	*1,100*

North

200 100 0 400

Scale

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Parking Plan

WestEdge Urban Master Plan

URBAN MASTER PLAN

WESTEDGE FOUNDATION

CHARLESTON | SOUTH CAROLINA

Housing Authority Redevelopment Study

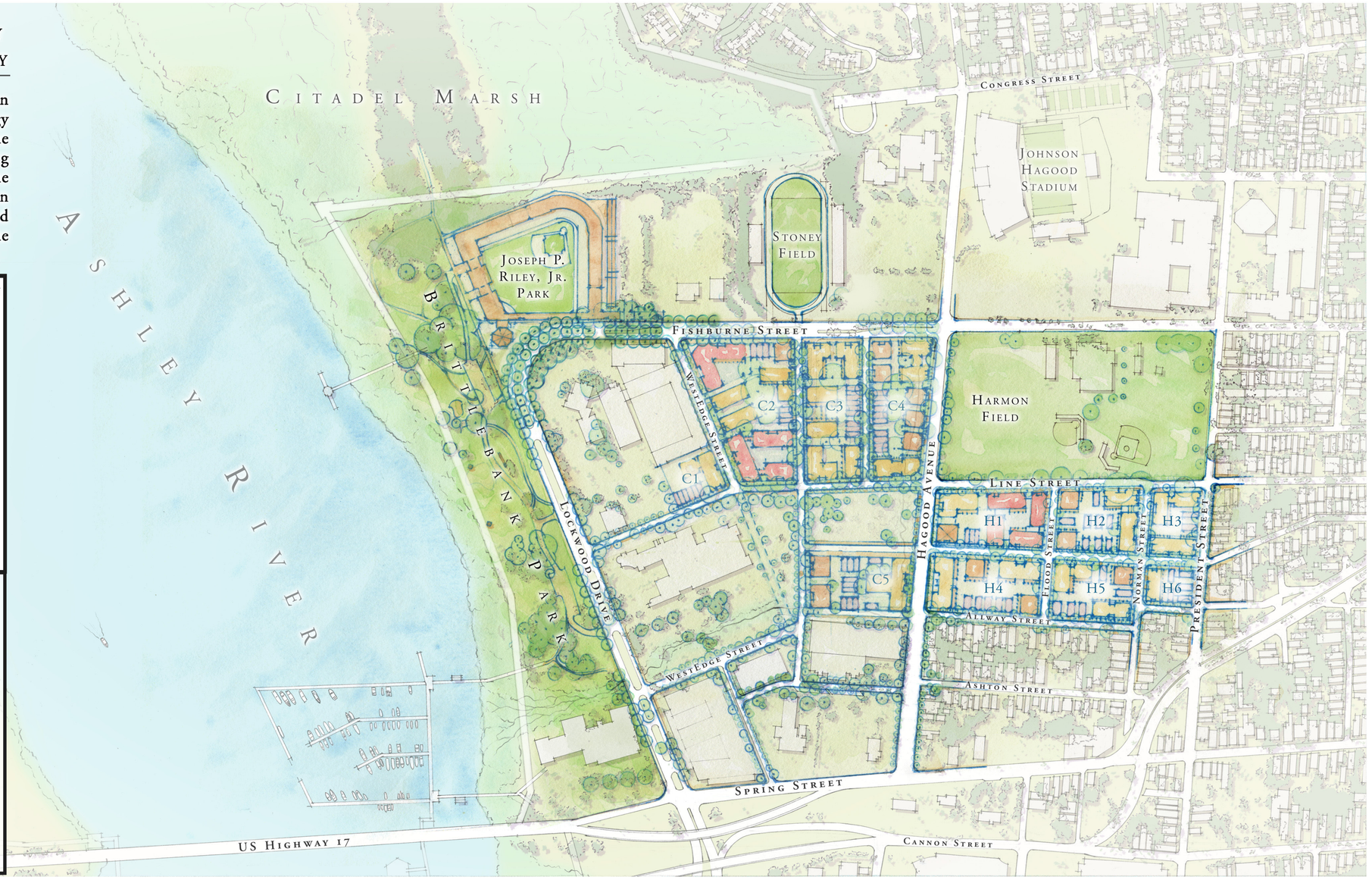
This master plan extension illustrates how the same strategy could be used to re-develop the adjoining Charleston Housing Authority parcels to create one cohesive mixed-use urban neighborhood with a scale and diversity appropriate to the Charleston Peninsula.

Charleston Block Plan

Block	*Height*	*Units*
C1	*3.5 - 5*	*60*
C2	*3.5 - 6*	*370*
C3	*3.5 - 6*	*265*
C4	*3.5 - 6*	*205*
C5	*3.5 - 4*	*100*
Total Units		*1000*
Total Acres:		*12.5*
Units/Acre:		*80*
SF at Ground Level:		*46,000*
Parking:		*See Detail*

Charleston Housing Authority Block Plan

Block	*Height*	*Units*
H1	*3.5 - 6*	*230*
H2	*3.5 - 5*	*120*
H3	*3.5 - 5*	*106*
H4	*3.5 - 5*	*129*
H5	*3.5 - 5*	*120*
H6	*3.5 - 5*	*45*
Total Units		*750*
Total Acres:		*11.3*
Units/Acre:		*66*



200 100 0 400

North Scale

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Charleston Housing Authority Redevelopment Study

WestEdge Urban Master Plan

URBAN MASTER PLAN
WestEdge Foundation
Charleston | South Carolina

The master plan builds upon the WestEdge plan, introducing a vibrant mix of building types at a neighborhood scale compatible with Charleston's traditions. The diversity of scale and architectural expression will lend vibrancy to the neighborhood and provide much needed housing intricately connected to a generous public realm.

Conceptual Master Plan

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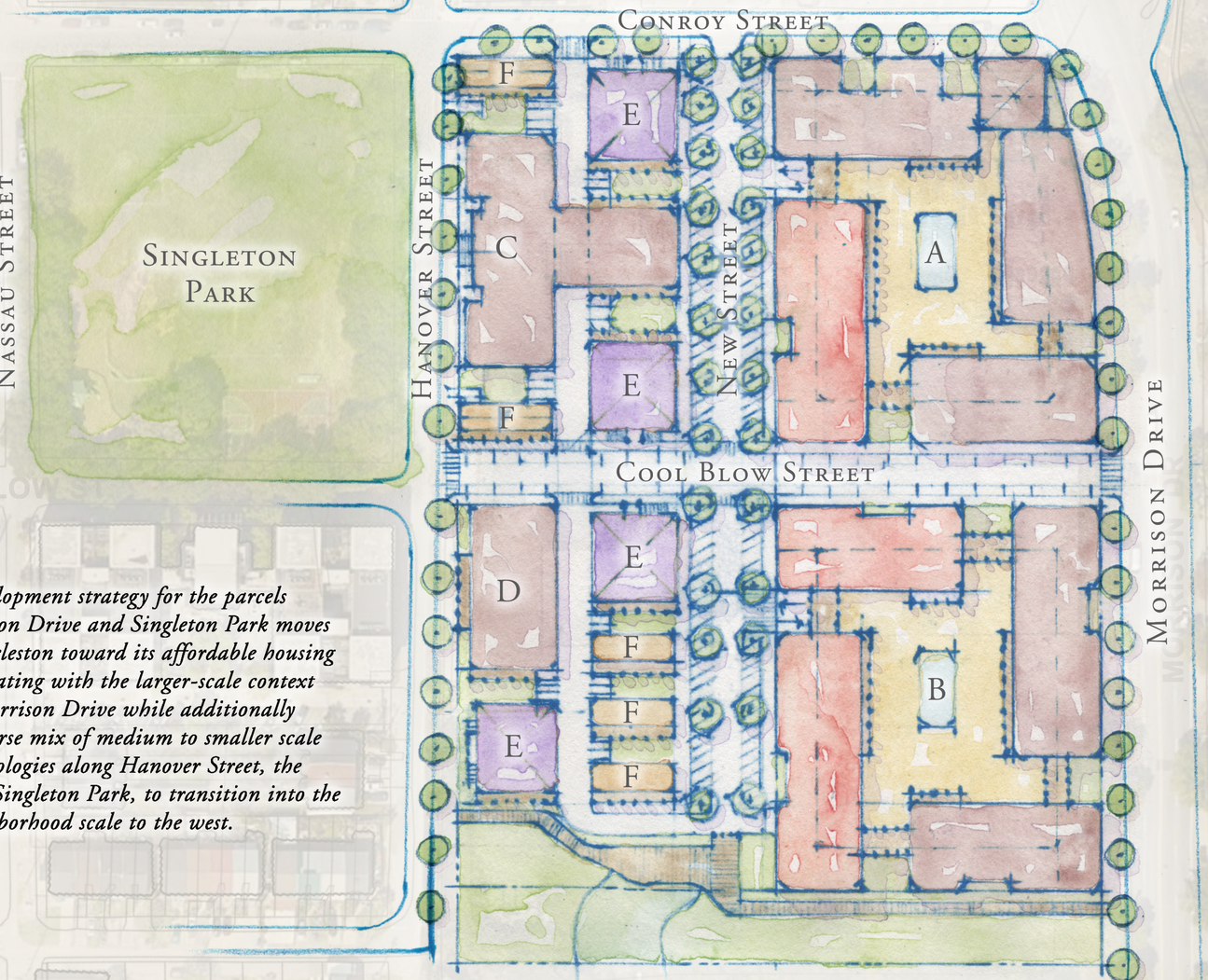
URBAN MASTER PLAN
WESTEDGE FOUNDATION
CHARLESTON | SOUTH CAROLINA

993 + 995 MORRISON DRIVE REDEVELOPMENT PLAN



The redevelopment strategy for the parcels fronting Morrison Drive and Singleton Park moves the City of Charleston toward its affordable housing goals; coordinating with the larger-scale context fronting Morrison Drive while additionally creating a diverse mix of medium to smaller scale building typologies along Hanover Street, the New Street and Singleton Park, to transition into the neighborhood scale to the west.

SITE CAPACITY ANALYSIS

Type	Residential SF	Units	Street Uses	Parking
(A) **Multi-Family** *3-Story Lined Podium* *6-12 Story Buildings Above*	350,000	350	24,000	350
(B) **Multi-Family** *3-Story Lined Podium* *8-12 Story Buildings Above*	380,000	380	20,000	390
(C) **Schoolhouse Apts** *1-Story Podium* *4 Levels Above*	66,000	66	800	40
(D) **Apartment House** *1-Story Podium* *4 Levels Above*	34,000	34	0	20
(E) **Missing Middle** *1-Story Podium* *3 (Four Unit) Levels Above With a Single Stair*	48,000	48	0	48
(F) **Single House Triplex** *1 Level Parking & Storage* *2x2 Tandem Spaces (4) Flat on Level 2* *(2) 2-Story Units 3-4*	15,000	15	0	20
Other Surface Parking	-	-	-	20
New Street Parking	-	-	-	80
Cool Blow St. Parking	-	-	-	34
Total	**893,000**	**893**	**44,800**	**1,002**

North

Scale: 1" = 100'

50 25 0 100

Sottile & Sottile, 2025

Morrison Drive & Singleton Park Mixed-Format Housing

Cooper River Bridge Redevelopment Area TIF, Charleston, South Carolina

CITY OF CHARLESTON

MT. PLEASANT STREET LOWLINE INFILL PLAN

BUILDING CAPACITIES

Building	Footprint	Stories	Heated SF	Units	Commercial	Parking
A	11,400	5	47,000	45	1,800	30
B	13,600	5	60,000	55	3,800	30
C	10,200	6	60,000	50	8,500	-
D	11,000	5	47,000	45	3,800	23
E	7,000	4	28,000	28	-	-
F	17,500	6	66,000	66	4,400	75
G	1,800	3	5,400	6	-	-
H	13,000	5	52,000	52	-	44
I	2,800	3	8,400	6	-	6
J	3,000	3	9,000	9	-	9
K	1,200 (x4)	3	9,600	8	-	8
Total			**395,400**	**370**	**22,300**	**225***

SITE PARKING

Building Parking	225
Under Highway	57
Surface Lot	50
On Street	50
Total	**400**

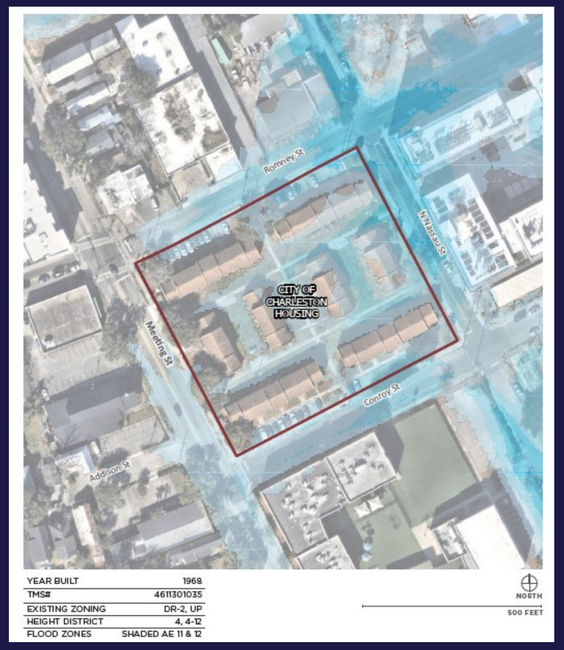
The parcels controlled by the City of Charleston around the Lowcountry Lowline's northern terminus at Mount Pleasant Street present a compelling redevelopment opportunity. A vibrant mix of housing, street level commercial uses with a variety of building types and scales combined with public spaces and new mixed-use transit facility can create a hub of urban vitality that is a worthy destination at the northern entrance of the Lowline.

Sottile & Sottile, 2025

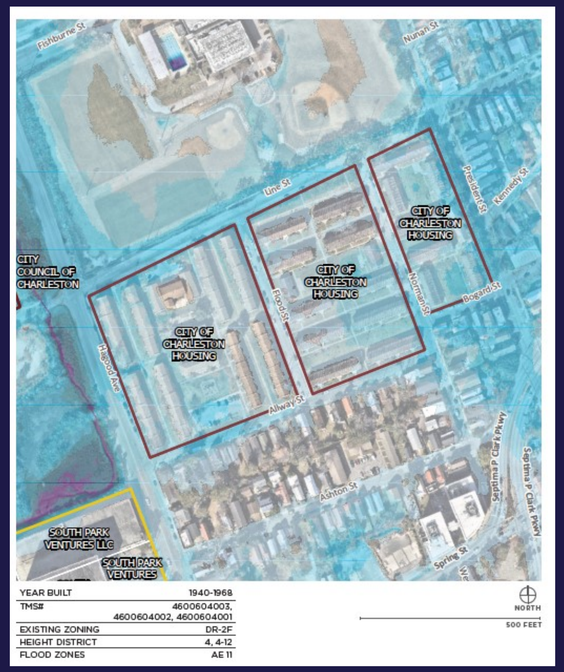
Mount Pleasant Street Lowline Infill Study

CITY OF CHARLESTON

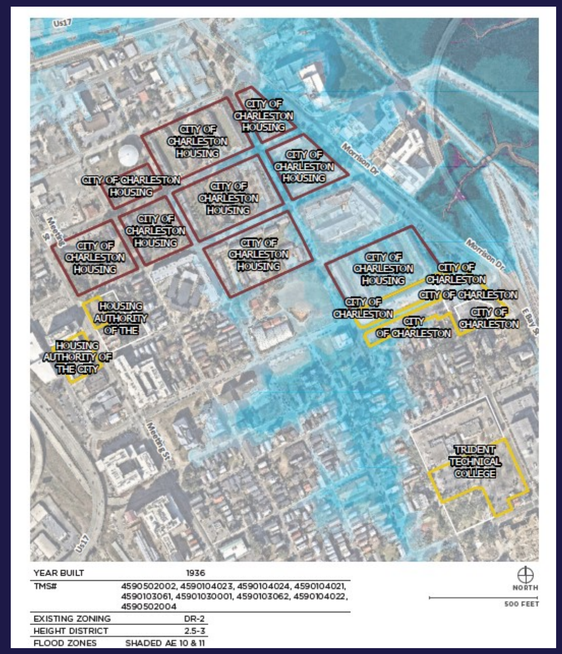
CHARLESTON HOUSING AUTHORITY



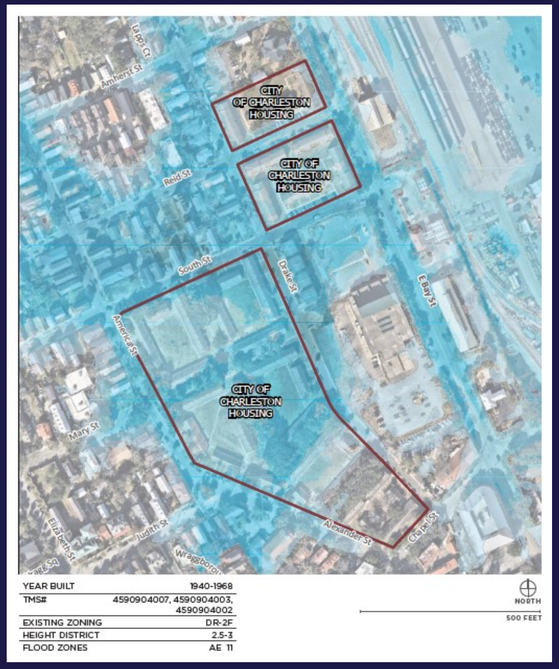
Meeting Street Manor Extension



Gadsden Green + Extension



Cooper River Courts + Meeting Street Manor



Wraggborough Homes + Extension

COMPLETED PROJECT SITES

178

PROJECT	STATUS	ADDRESS	AREA	NEW AFFORDABLE HOUSING UNITS
James Lewis, Jr. Apts.	Completed	89 Hanover Street	Peninsula	64
Romney Street Rentals	Completed	195 Romney Street	Peninsula	2
Morrison Yard	Completed	838 Morrison Drive	Peninsula	19
Archer School	Completed	226 Nassau Street	Peninsula	89
Foundry Alley PUD (57 Hanover)	Completed	57 Hanover Street	Peninsula	1
79 Cooper St	Completed	79 Cooper Street	Peninsula	1
5 Porters Court	Completed	5 Porters Court	Peninsula	1
14 Porters Court	Completed	14 Porters Court	Peninsula	1

SITES UNDER DEVELOPMENT

969

PROJECT	EST. COMPLETION	ADDRESS	AREA	NEW AFFORDABLE HOUSING UNITS
36 Cooper Street	2027	36 Cooper Street	Peninsula	4
Lowline Affordable Housing	2027	678 King Street	Peninsula	55
1345 Rutledge Ave	2027	1345 Rutledge Avenue	Peninsula	3
52 Kennedy St	2027	52 Kennedy Street	Peninsula	2
1555 Juniper Street	2025	1555 Juniper Street	West Ashley	10
Grove at Johns Island (Apts Family)	2027	1725 River Road	Johns Island	90
Grove at Johns Island (Apts Senior)	2030	1726 River Road	Johns Island	65
569-571 King Street	2025	569-571 King Street	Peninsula	4
89 Fishburne Street	2025	89 Fishburne Street	Peninsula	4
One 80 Place (573 Meeting St)	2025	573 Meeting Street	Peninsula	70
Courier Square Phase II	2027	635 King Street	Peninsula	15
Star Gospel Mission	2028	474 Meeting Street	Peninsula	40
1890 Ashley River Road	2028	1890 Ashley River Road	West Ashley	11
Gateway Senior Housing	2025	2280 Henry Tecklenburg Drive	West Ashley	69
Bermuda Point	2027	600 Thriving Way	West Ashley	40
840 Wappoo Road	2030	840 Wappoo Road	West Ashley	3
Esau Jenkins Village	2025	3611 Maybank Highway	Johns Island	72
Ashley Landing Redevelopment	2027	1401 Sam Rittenberg Blvd	West Ashley	32
Restore at Point Hope Ph III	2027	1260 Clements Ferry Road	Cainhoy	150
275 Huger	2028	275 Huger Street	Peninsula	75
Magnolia PUD	2030	2198 Milford Street	Peninsula	150
Pioneer Alley PUD	2030	105 Cannon Street	Peninsula	5

NEW TARGETED SITES

1540

PROJECT	EST. COMPLETION	ADDRESS	AREA	NEW AFFORDABLE HOUSING UNITS
993 + 995 Morrison Drive	2032	993 + 995 Morrison Drive	Peninsula	390
WestEdge	2032	305 Fishburne Street	Peninsula	500
Hope Center Rapid Housing	2027	1910 Herbert Street	Peninsula	65
Aquarium Site	2030	24 Calhoun Street	Peninsula	30
Mount Pleasant Street Redevelopment	2030	823 Meeting Street	Peninsula	185
2212 Heriot Street	2028	2212 Heriot Street	Peninsula	34
3-9 Cunnington Avenue	2029	3-9 Cunnington Avenue	Peninsula	46
Abandoned Union Pier Rail Spur	2029	40 Washington Street	Peninsula	50
Verdier Partnership with Roper St Francis	2030	1436 Bees Ferry Road	West Ashley	75
Varn Greenway Site + City Site	2029	Savannah Highway	West Ashley	165

CHARLESTON HOUSING AUTHORITY SITES

832

PROJECT	EST. COMPLETION	ADDRESS	AREA	NEW AFFORDABLE HOUSING UNITS
Cooper River Court and Meeting Street Manor	2030	230 Hanover Street	Peninsula	475
Gadsden Green + Extension	2030	233 Line Street	Peninsula	103
Meeting Street Manor Extension	2030	59 Romney Street	Peninsula	52
Wraggborough Homes + Extension	2030	501 East Bay Street	Peninsula	202

AFFORDABLE HOUSING

The City of Charleston has developed a comprehensive affordable housing strategy with a goal of creating 3,500 units by 2032. To date, 178 units have been completed, with additional developments and partnerships planned across the Peninsula, West Ashley, and Johns Island. This initiative reflects the City's commitment to expanding housing opportunities and supporting diverse, thriving communities.

TOTAL UNITS

3519

BY 2032

CITY OF CHARLESTON

Housing Authority Redevelopment Study

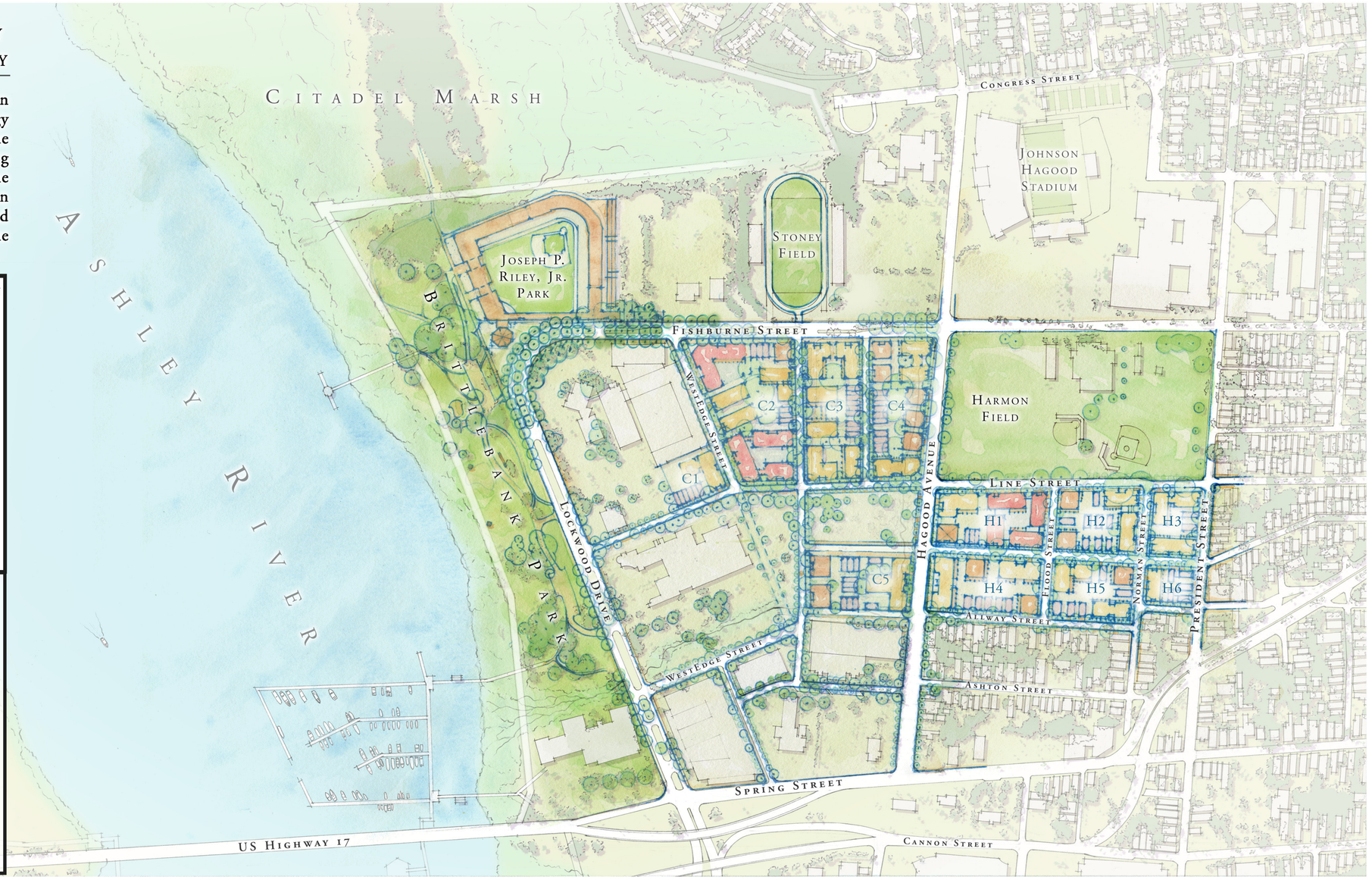
This master plan extension illustrates how the same strategy could be used to re-develop the adjoining Charleston Housing Authority parcels to create one cohesive mixed-use urban neighborhood with a scale and diversity appropriate to the Charleston Peninsula.

Charleston Block Plan

Block	*Height*	*Units*
C1	*3.5 - 5*	*60*
C2	*3.5 - 6*	*370*
C3	*3.5 - 6*	*265*
C4	*3.5 - 6*	*205*
C5	*3.5 - 4*	*100*
Total Units		*1000*
Total Acres:		*12.5*
Units/Acre:		*80*
SF at Ground Level:		*46,000*
Parking:		*See Detail*

Charleston Housing Authority Block Plan

Block	*Height*	*Units*
H1	*3.5 - 6*	*230*
H2	*3.5 - 5*	*120*
H3	*3.5 - 5*	*106*
H4	*3.5 - 5*	*129*
H5	*3.5 - 5*	*120*
H6	*3.5 - 5*	*45*
Total Units		*750*
Total Acres:		*11.3*
Units/Acre:		*66*



North

200 100 0 400

Scale

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Charleston Housing Authority Redevelopment Study

WestEdge Urban Master Plan

URBAN MASTER PLAN

WestEdge Foundation

CHARLESTON | SOUTH CAROLINA

STRATEGIC PUBLIC-PRIVATE PARTNERSHIPS

City + Housing Authority Partnership
Financial Structure + Responsibilities

CITY OF CHARLESTON

CITY CONTRIBUTES LAND AT APPRAISED VALUE

CITY LEADS DAY-TO-DAY PROJECT MANAGEMENT

“OPEN BOOK” FINANCIALS

CITY MANAGE DEVELOPER RFP PROCESS

CITY ENTITLEMENTS: REZONINGS + PERMITTING

HOUSING AUTHORITY

CHA CONTRIBUTES LAND AT APPRAISED VALUE

CHA MANAGES HUD FINANCING + FUNDING

“OPEN BOOK” FINANCIALS

CHA LEADS ASSET MANAGEMENT

CHA LEADS RESIDENT OUTREACH PROCESS

DRAFT

CITY + HOUSING AUTHORITY PARTNERSHIP

PARTNERSHIP AGREEMENT: ROLES + RESPONSIBILITIES

EQUITY SPLIT BASED UPON APPRAISED VALUE OF LAND

City + Housing Authority Partnership
Governance Structure

WestEdge Foundation + Housing Authority Partnership

Financial Structure + Responsibilities

WESTEDGE FOUNDATION

WEF CONTRIBUTES LAND AT APPRAISED VALUE

WEF LEADS DAY-TO-DAY PROJECT MANAGEMENT

“OPEN BOOK” FINANCIALS

WEF PARTICIPATE DEVELOPER RFP PROCESS

CITY ENTITLEMENTS: REZONINGS + PERMITTING

HOUSING AUTHORITY

CHA CONTRIBUTES LAND AT APPRAISED VALUE

CHA MANAGES HUD FINANCING + FUNDING

“OPEN BOOK” FINANCIALS

CHA LEADS ASSET MANAGEMENT

CHA LEADS RESIDENT OUTREACH PROCESS

DRAFT

WEF + HOUSING AUTHORITY PARTNERSHIP

PARTNERSHIP AGREEMENT: ROLES + RESPONSIBILITIES

EQUITY SPLIT BASED UPON APPRAISED VALUE OF LAND

WestEdge Foundation + Housing Authority Partnership

GOVERNANCE STRUCTURE

EXECUTIVE LEADERSHIP TEAM

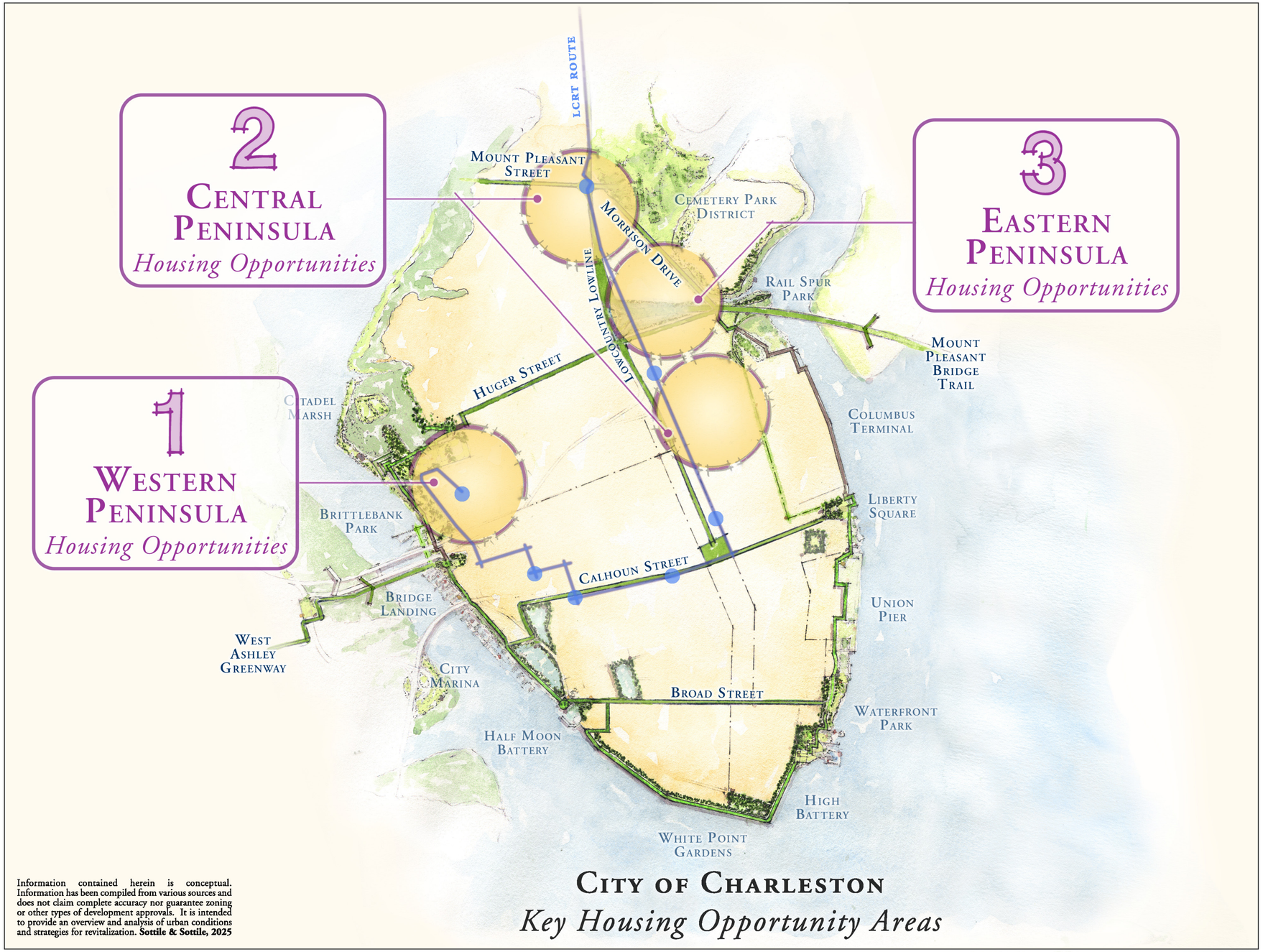
WEF: BOARD MEMBERS
CHA: BOARD MEMBERS

DRAFT

PROJECT LEADERSHIP TEAM

WEF: STAFF
CHA: PRESIDENT|CEO + CHA STAFF

RFQ/RFP PROCESS



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HOUSING STUDY AREAS

The City of Charleston is advancing multiple opportunities to support an increase in affordable housing available on the Upper Peninsula. Future plans identify key housing opportunities on the Western, Central, and Eastern portions of the Peninsula as key sites for mixed-income, mixed-use, affordable and workforce housing.

Together, these partnerships with the Charleston Housing Authority and the WestEdge Foundation reflect a broader strategy to create a more connected housing landscape across the Peninsula. Each of these opportunities shares a relationship to transit as well as connected public spaces, including the Lowcountry Lowline, the new Pedestrian Bridge to West Ashley, and the network of connected public spaces emerging on the peninsula.

CHAcity.org
HOUSING AUTHORITY OF THE CITY OF CHARLESTON

WESTEDGE

CITY OF CHARLESTON

HOUSING OPPORTUNITIES

City of Charleston
Charleston Housing Authority
WestEdge Foundation

CHARLESTON | SOUTH CAROLINA

Housing Authority Redevelopment Study

This master plan extension illustrates how the same strategy could be used to re-develop both the WestEdge Foundation properties and the adjoining Charleston Housing Authority parcels to create one cohesive mixed-use urban neighborhood with a scale and diversity appropriate to the Charleston Peninsula.

Charleston Block Plan

Block	*Height*	*Units*
C1	*3.5 - 5*	*60*
C2	*3.5 - 6*	*370*
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C4	*3.5 - 6*	*205*
C5	*3.5 - 4*	*100*
Total Units		*1000*
Total Acres:		*12.5*
Units/Acre:		*80*
SF at Ground Level:		*46,000*
Parking:		*See Detail*

Charleston Housing Authority Block Plan

Block	*Height*	*Units*
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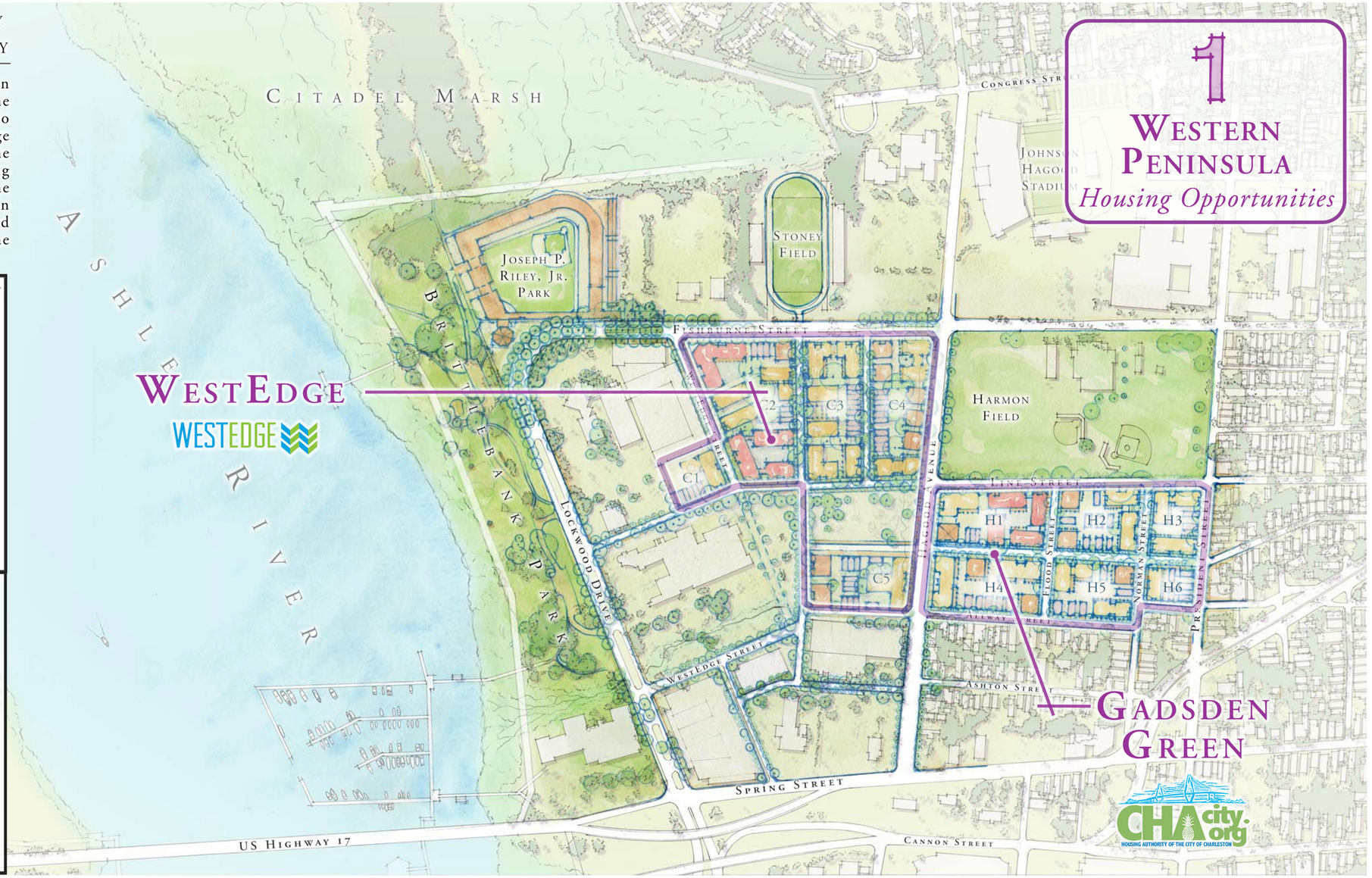
H2	*3.5 - 5*	*120*
H3	*3.5 - 5*	*106*
H4	*3.5 - 5*	*129*
H5	*3.5 - 5*	*120*
H6	*3.5 - 5*	*45*
Total Units		*750*
Total Acres:		*11.3*
Units/Acre:		*66*



Housing Case Study

Western Peninsula Housing Opportunities

Housing Opportunities

City of Charleston
Charleston Housing Authority
WestEdge Foundation

Charleston | South Carolina

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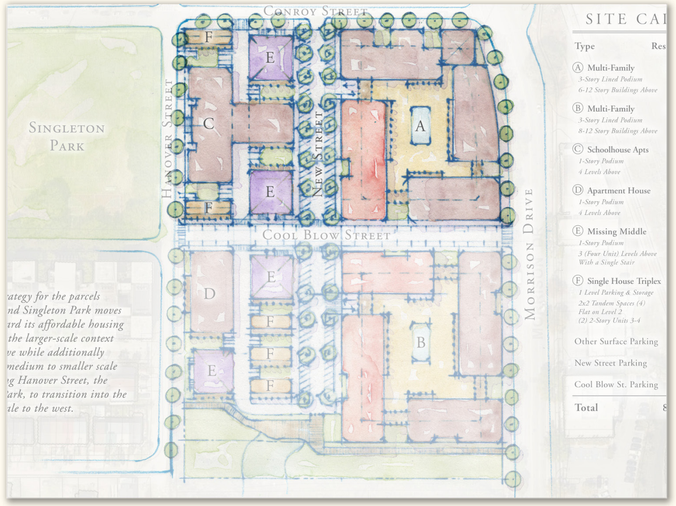
2
Central Peninsula
Housing Opportunities

Wraggborough Homes (CHA)

Meeting Street Manor Extension (CHA)



995 Morrison Drive (City)

Mount Pleasant Street / 823 Meeting (City)

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Charleston Housing Authority Site

Housing Location	*Units*
Wraggborough Homes	*202*
Meeting Street Manor Extension	*52*
Total Units	*254*

City of Charleston Site

Housing Location	*Units*
995 Morrison Drive	*195*
Mount Pleasant Street / 823 Meeting Street	*185*
Total Units	*380*

CHAcity.org
HOUSING AUTHORITY OF THE CITY OF CHARLESTON

CAROLOPOLIS CONDITA A.D. 1670

CITY OF CHARLESTON

HOUSING OPPORTUNITIES

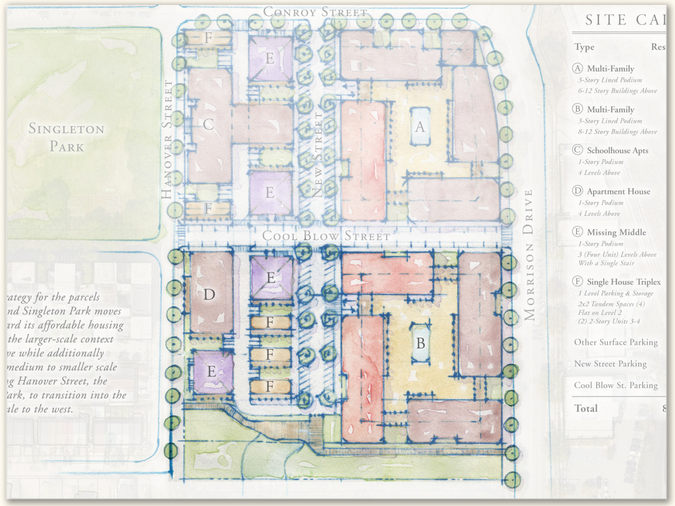
City of Charleston
Charleston Housing Authority
WestEdge Foundation

CHARLESTON | SOUTH CAROLINA

3
Eastern Peninsula
Housing Opportunities

City of Charleston Site	
Housing Location	***Units***
993 Morrison Drive	*195*
Total Units	*195*

Charleston Housing Authority Site	
Housing Location	***Units***
Meeting Street Manor	*200*
Cooper River Court	*275*
Total Units	*475*



993 Morrison Drive (City)

Meeting Street Manor (CHA)

Cooper River Court (CHA)

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CHAcity.org
HOUSING AUTHORITY OF THE CITY OF CHARLESTON

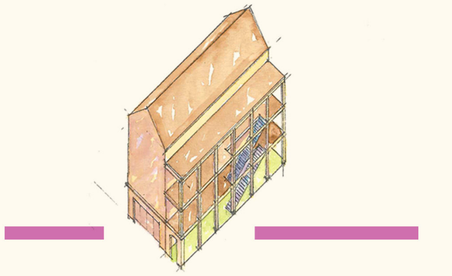
CAROLOPOLIS CONDITA A.D. 1670

CITY OF CHARLESTON

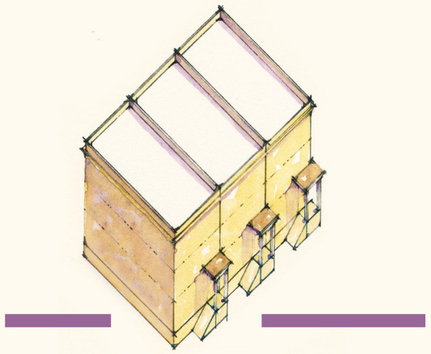
HOUSING OPPORTUNITIES

City of Charleston
Charleston Housing Authority
WestEdge Foundation

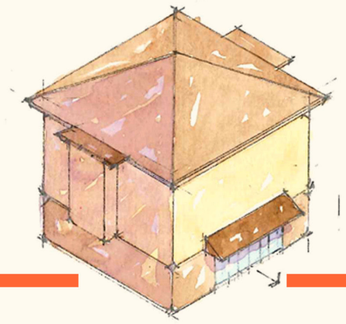
CHARLESTON | SOUTH CAROLINA



SMALL - SINGLE HOUSE TRIPLEX

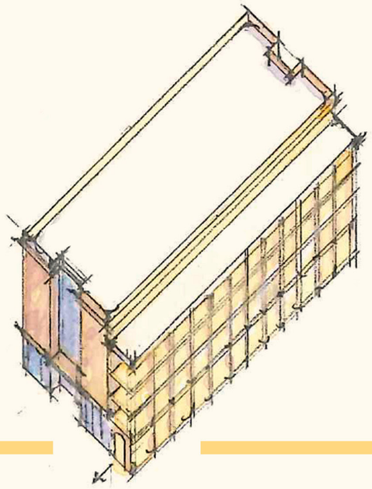


SMALL ROWHOUSE

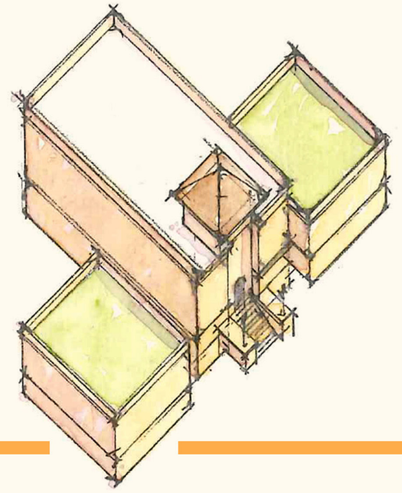


SMALL - APARTMENT HOUSE

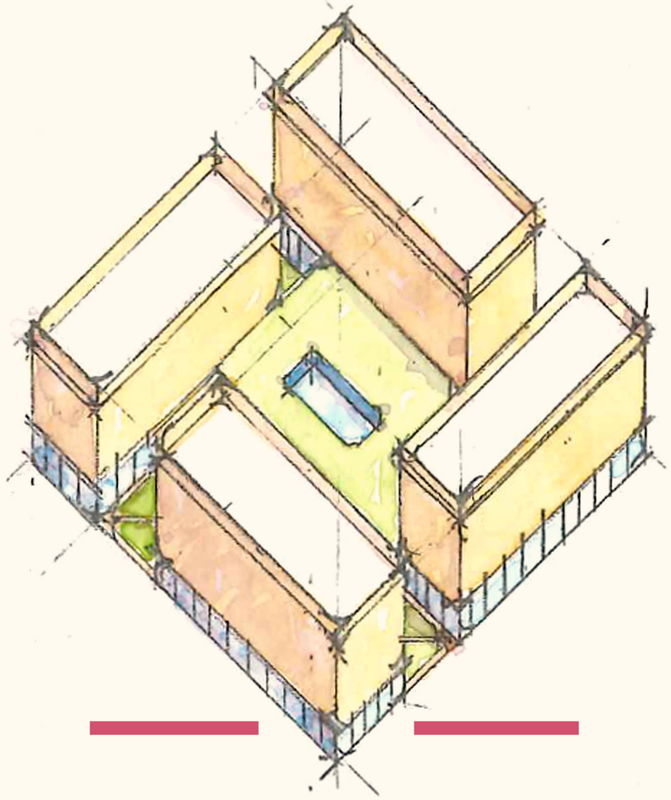
SMALL - MIXED-USE APARTMENT HOUSE



MEDIUM - SINGLE APARTMENT HOUSE



MEDIUM - CIVIC IMAGE APARTMENT HOUSE



LARGE - STRUCTURED FORMAT

BUILDING TYPES

- SMALL SINGLE HOUSE
- SMALL ROWHOUSE
- SMALL APARTMENT HOUSE
- MEDIUM APARTMENT - CIVIC
- MEDIUM APARTMENT - SINGLE
- LARGE FORMAT STRUCTURED

A RANGE OF TYPES

- Diverse Density
- Diverse Styles
- Diverse Scales

Creating a vibrant neighborhood that is a genuine place requires a variety of architectural expressions and a thoughtful mix of building scales ranging from small to large. All of the typologies illustrated here have been used successfully on the Charleston Peninsula and serve to provide an alternative to the monolithic, large-scale institutional development model that has become so ubiquitous in recent years and threatens the scale and character of the Charleston Peninsula.

HOUSING OPPORTUNITIES
CITY OF CHARLESTON
CHARLESTON HOUSING AUTHORITY
WESTEDGE FOUNDATION
CHARLESTON | SOUTH CAROLINA

NEXT STEPS: CHARLESTON HOUSING STRATEGY + PLAN

- THINK BIG WITH ALL OF OUR ASSETS: Redevelopment Over Next Seven Years To Yield 3,500 NEW Affordable Housing Units
- NO DISPLACEMENT: Build First
- ENTITLEMENTS: City will Create a New Zoning Classification for Affordable Housing
- STRUCTURE + STAFFING + FINANCIAL ARRANGEMENT: City will Propose How We Can Work Together as Partners—Engagement from Private Sector and Charleston Housing Authority
- PRIVATE SECTOR + PRIVATE EQUITY: Potential Partners with Capitalization (Issue RFQ for these Partners)
- CITY PROPERTY: 993 + 995 Morrison + WestEdge + Mount Pleasant Street

DISCUSSION

COMPLETED PROJECT SITES

1. James Lewis, Jr. Apartments
2. Romney Street Rentals
3. Morrison Yard
4. Archer School
5. Foundry Alley
6. 79 Cooper Street
7. 5 Porters Court
8. 14 Porters Court

SITES UNDER DEVELOPMENT

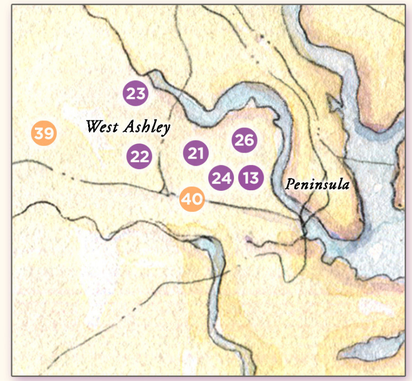
9. 36 Cooper Street
10. Lowline Affordable Housing
11. 1345 Rutlege Avenue
12. 52 Kennedy Street
13. 1555 Juniper Street
14. Grove at St. Johns Family Apartments
15. Grove at St. Johns Senior Apartments
16. 569-571 King Street
17. 89 Fishburne Street
18. One 80 Place
19. Courier Square Phase II
20. Star Gospel Mission
21. 1890 Ashley River Road
22. Gateway Senior Housing
23. Bermuda Point
24. 840 Wappoo Road
25. Esau Jenkins Village
26. Ashley Landing
27. Restore at Point Hope Phase III
28. 275 Huger Street
29. Magnolia PUD
30. Pioneer Alley PUD

NEW TARGETED SITES

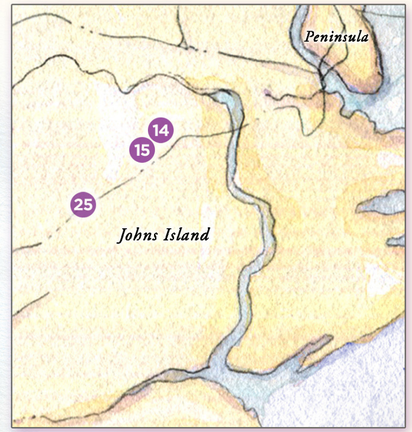
31. 993 + 995 Morrison Drive
32. WestEdge Residential
33. Hope Center Rapid Housing
34. Aquarium Site
35. Mt. Pleasant Street Redevelopment
36. 2212 Heriot Street
37. 3-9 Cunnington Avenue
38. Abandoned Union Pier Rail Spur
39. Verdier Parntership Roper St. Francis
40. Varn Greenway Site and City Site

CHARLESTON HOUSING AUTHORITY SITES

41. Cooper River Court + Meeting Street Manor
42. Gadsden Green + Extension
43. Meeting Street Manor Extension
44. Wraggborough Homes + Extension



WEST ASHLEY



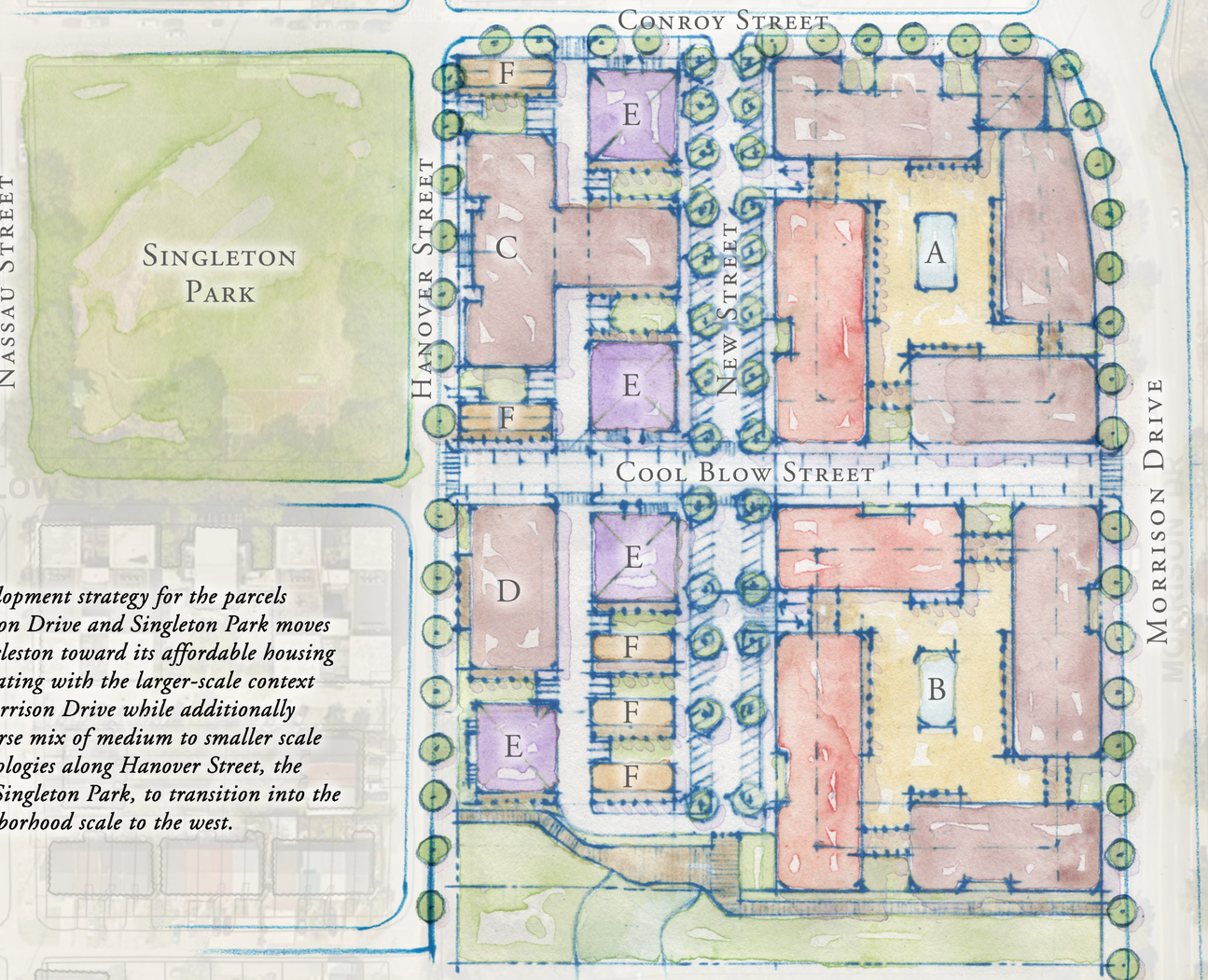
JOHNS ISLAND

CITY OF CHARLESTON

Key Housing Opportunity Areas

Sottile & Sottile, *Urban Design*

993 + 995 MORRISON DRIVE
ACQUISITION FOR MIXED-INCOME HOUSING



The redevelopment strategy for the parcels fronting Morrison Drive and Singleton Park moves the City of Charleston toward its affordable housing goals; coordinating with the larger-scale context fronting Morrison Drive while additionally creating a diverse mix of medium to smaller scale building typologies along Hanover Street, the New Street and Singleton Park, to transition into the neighborhood scale to the west.

SITE CAPACITY ANALYSIS

Type	Residential SF	Units	Street Uses	Parking
(A) **Multi-Family** *3-Story Lined Podium* *6-12 Story Buildings Above*	350,000	350	24,000	350
(B) **Multi-Family** *3-Story Lined Podium* *8-12 Story Buildings Above*	380,000	380	20,000	390
(C) **Schoolhouse Apts** *1-Story Podium* *4 Levels Above*	66,000	66	800	40
(D) **Apartment House** *1-Story Podium* *4 Levels Above*	34,000	34	0	20
(E) **Missing Middle** *1-Story Podium* *3 (Four Unit) Levels Above With a Single Stair*	48,000	48	0	48
(F) **Single House Triplex** *1 Level Parking & Storage* *2x2 Tandem Spaces (4) Flat on Level 2* *(2) 2-Story Units 3-4*	15,000	15	0	20
Other Surface Parking	-	-	-	20
New Street Parking	-	-	-	80
Cool Blow St. Parking	-	-	-	34
Total	**893,000**	**893**	**44,800**	**1,002**

North

Scale: 1" = 100'

50 25 0 100

Sottile & Sottile, 2025

Morrison Drive & Singleton Park Mixed-Format Housing

Cooper River Bridge Redevelopment Area TIF, Charleston, South Carolina

CITY OF CHARLESTON

993 + 995 Morrison Drive Appraisal Summary

	Charleston County	City of Charleston	Charleston County
	Oct 2024 Appraisal	Aug 2025 Appraisal	Nov 2025 Appraisal
Property Address	995 Morrison Drive, Charleston, SC	993-995 Morrison Drive, Charleston, SC (Lots B, C, D)	993-995 Morrison Drive, Charleston, SC (Lots B, C, D)
Owner	County of Charleston	County of Charleston	County of Charleston
Land Area	6.50 acres (283,140 SF)	7.22 acres (314,503 SF)	6.43 acres (280,091 SF)
Zoning	PUD (Laurel Island)	PUD with Tech Corridor Overlay (Mixed-Use with limits on residential/retail)	PUD (Laurel Island) with affordablity requirements (per sales contract)
Valuation Method	Sales Comparison Approach	Sales Comparison Approach (other methods considered but not used)	Sales Comparison Approach
Effective Date	9/26/24	8/15/25	11/6/25
Total Value Conclusion	Scenario dependent: Ranges $23.4M-$38.6M depending on subdivision and affordable housing restrictions[1]	$22.9M ($72.72/SF)	$34.5M ($123/SF)
Extraordinary Assumptions	Assumes 25% tax exemption; assumes no favorable tax credits for affordable housing	None	Assumes 25% tax exemption; assumes no favorable financing, tax credits, or incentives
Intended Use	Property disposition purposes for Charleston County	Internal decision-making & purchase negotiations for City of Charleston	Property disposition purposes for Charleston County

(1) See slide 3 for different scenarios

City of Charleston 993 + 995 Morrison Drive Appraisal Overview

		Market Value	Market Value with
Component	Market Value	Assuming No TC Overlay	Workforce Housing Requirements
Value Type	Market Value	Market Value	Market Value
Real Property Interest	Fee Simple	Fee Simple	Fee Simple
Effective Date of Value	September 15, 2025	September 15, 2025	September 15, 2025
Value Conclusion	22,870,000	28,250,000	22,610,000
	72.72/SF	89.82/SF	71.89/SF

Charleston County 993 + 995 Morrison Drive Appraisal Overview

Value Conclusions

Scenario	Interest Appraised	Effective Date	Value Conclusion
1. Subject divided into two parcels			
Parcel B	Fee Simple	9/26/2024	$18,120,000
Parcel D	Fee Simple	9/26/2024	$19,410,000
2. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H	Fee Simple	9/26/2024	$10,060,000
3. Subject divided into two parcels			
Parcel B - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$11,850,000
Parcel D - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$12,940,000
4. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,830,000
5. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,180,000
Parcel G	Fee Simple	9/26/2024	$10,060,000
Parcel H - Deed Restriction Afforable Housing	Fee Simple	9/26/2024	$6,830,000
6. Subject divided into four parcels			
Parcel E	Fee Simple	9/26/2024	$9,000,000
Parcel F	Fee Simple	9/26/2024	$9,460,000
Parcel G - 1.41 Acres	Fee Simple	9/26/2024	$8,660,000
Parcel H - 1.88 acres Affordable Housing	Fee Simple	9/26/2024	$7,780,000

WESTEDGE FOUNDATION
URBAN MASTER PLAN

Planning Area

Properties adjacent to the planning area should also be considered throughout the planning process. Their current forms and potential redevelopment will contribute over time to the character of the neighborhood.

200 100 0 400

North Scale

Information contained herein is conceptual. Information has been compiled from various sources and does not claim complete accuracy nor guarantee zoning or other types of development approvals. It is intended to provide an overview and analysis of urban conditions and strategies for revitalization. **Sottile & Sottile, 2025**

Planning Area Analysis

WestEdge Urban Master Plan

URBAN MASTER PLAN
WESTEDGE FOUNDATION
CHARLESTON | SOUTH CAROLINA

WESTEDGE FOUNDATION
MUSC FOUNDATION
CITY OF CHARLESTON

- WestEdge Foundation: $10 Million Distribution to City + MUSC Foundation
- City provide its portion of distribution to MUSC Foundation: $10 Million Valuation
- MUSC Foundation Land Value: $25 Million
- City pays $15 Million (terms to be determined) to MUSC Foundation over time
- MUSC Foundation retains option to housing units in the future of resultant redevelopment

DISCUSSION